United States Court of Appeals

for the Second Circuit

APPENDIX

75-7664

B

P/S

United States Court of Appeals

For the Second Circuit

CHAMPION INTERNATIONAL CORPORATION,

Plaintiff-Appellee,

v.

CONTINENTAL CASUALTY COMPANY,

Defendant-Appellant.

JOINT APPENDIX

VOLUME II OF TWO VOLUMES

(Pages JA302 to JA589)

UNITED STATES COURT OF APPEALS
FILED
MAR 15 1976
A. DANIEL FUSARO, CLERK
SECOND CIRCUIT

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PAGINATION AS IN ORIGINAL COPY

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Memorandum Opinion of Solomon, D.J.

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF NEW YORK

[SAME TITLE]

In a written opinion dated May 1, 1975, I held in favor of the plaintiff on the issue of liability. I held that there was one occurrence which proximately resulted in damage to many vehicles, as opposed to defendant's sole contention that it had no liability under its policies because each of the vehicles damaged was a separate occurrence and the damage to each vehicle was less than $5,000.00, the amount of the deductible for each occurrence.

I assumed that once the issue of liability was determined, there would be no question that plaintiff suffered damages far in excess of the face of the policy. I therefore requested counsel for plaintiff to submit an appropriate judgment. Plaintiff did submit such a judgment for $1,000,000.00 plus interest.

Thereafter, defendant notified me that it had proceeded on the assumption that the issue of damages had been segregated from the issue of liability and that it was now entitled to put on evidence on the issue of damages. Defendant then sought information which went far beyond the issue of damages and which could only be relevant to the issue of liability.

In a memorandum dated June 12, 1975, I stated that I had already decided all issues relating to liability and that I did not propose to consider these issues again.

Memorandum Opinion of Solomon, D.J.

Both plaintiff and defendant submitted requests for additional findings. In a memorandum dated June 18, I rejected all of them as either unnecessary or incorrect.

Since that time, the defendant has again raised issues of liability. I have considered the authorities on which defendant relies, and I reject them.

On the record heretofore made and on the evidence adduced and the admissions of defendant made at the hearing on damages, held September 29, 1975, I find:

Plaintiff employed the Liberty Mutual Insurance Company to investigate and settle plaintiff's liability for property damage in connection with the delamination of the defective vinyl-covered panels, and this was done with defendant's knowledge and consent and without any admission on the part of the defendant of any liability under its policy;

Liberty Mutual did investigate, adjust and settle a great number of such claims, for which it charged a fee of 15 per cent of the amount of the settlements;

As of September 13, 1974, plaintiff paid Liberty Mutual a total of $1,513,116.82 for the settlement of the claims for property damage in connection with the delamination of the defective vinyl-covered panels produced by Continental Vinyl Products Corp. and for expenses and fees for the investigation, adjustment and settlement of those claims;

These payments were reasonable and were made in good faith for the purpose of settling liability against the plaintiff because of the defective vinyl-covered panels which plaintiff had acquired from Continental Vinyl;

Plaintiff paid out in excess of $1,000,000.00 over and above the $100,000.00 paid by Liberty Mutual under its policy and the $5,000.00 deductible under defendant's policy.

I therefore hold that plaintiff is entitled to a judgment against the defendant for $1,000,000.00 with interest from

the dates plaintiff made payments to Liberty Mutual in settlement of the claims against plaintiff.

This memorandum opinion on the issue of damages shall constitute findings of fact and conclusions of law under Fed. R. Civ. P. 52(a).

Plaintiff shall forthwith submit a form of judgment in accordance with this memorandum opinion.

Dated this 31st day of October, 1975.

/s/ Gus J. Solomon
United States District Judge

Judgment of Solomon, D.J.

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF NEW YORK

[SAME TITLE]

IT IS ORDERED AND ADJUDGED that plaintiff, Champion International Corporation, recover from defendant, Continental Casualty Company, the sum of One Million Dollars ($1,000,000.00) with interest thereon, as set forth below, at 7½ per cent per year from May 12, 1970, through August 31, 1972, and thereafter at 6 per cent per year, through October 31, 1975, computed on the following portions of $1,000,000.00 from the dates indicated:

Amount on which Interest Computed	*Date from which Interest Computed*	*Amount of Interest*
$220,000.00	5/12/70	$79,879.53
100,000.00	7/9/70	35,117.12
100,000.00	8/27/70	34,110.27
100,000.00	12/1/70	32,137.67
100,000.00	1/28/71	30,945.89
100,000.00	4/5/71	29,569.18
200,000.00	5/28/71	56,960.26
80,000.00	8/19/71	21,419.72
	Total Interest	$320,139.64

making a total judgment of One Million Three Hundred Twenty Thousand One Hundred Thirty-nine and 64/100 Dollars ($1,320,139.64), which judgment shall bear interest from November 1, 1975, at the rate of 6 per cent per year.

Dated: November 14, 1975.

/s/ Gus J. Solomon
United States District Judge

Judgment Entered—11/18/75

/s/ Raymond F. Burghardt
Clerk

EXHIBIT

Letter Dated April 17, 1970, from W. F. Wynne, Director of Risk Management of U.S. Plywood-Champion Papers, Inc. to F. G. Mason of Liberty Mutual Insurance Company

(Page JA308)

U.S.PLYWOOD-CHAMPION PAPERS INC.
777 THIRD AVE., NEW YORK, N.Y. 10017

JA 308

April 17, 1970

Mr. F.G. Mason
Liberty Mutual Insurance Co.
10 Rockefeller Plaza
New York, New York 10020

Re: Continental Vinyl Occurrence

Dear Fred:

Confirming our phone discussion, we have received wire from our broker, Marsh & McLennan, that coverage under the Continental Casualty Company policy will not be prejudiced by our contracting with you to continue settling the claims that are outstanding for the above occurrence.

This is to confirm that we have reviewed with our legal and sales personnel the procedure you have outlined as follows:

The Liberty will investigate and settle each claim. You will forward to us the release obtained and the supporting documents. We will issue check to the claimant in the amount of the agreed settlement and forward to either the claimant or your office, as you instruct. Your charge for this service will be between 15 and 20% of the actual claim settlement.

After we have paid the claims and your charges, we will forward the supporting information and charges to our Broker Marsh & McLennan, Inc., Chicago for collection of these amounts from our Excess Liability Carrier, Continental Casualty Company.

Very truly yours,

U.S. PLYWOOD-CHAMPION PAPERS INC.

Bill

WFW:lb
cc: S. Brown - New York
J. Clarson - New York
C. Dugan - M&M, Chicago
R. Sckunda - Continental
J. Jinishian - New York

←THIS COPY FOR

W.F. Wynne
Director of Risk Management

EXHIBIT

Telegram Dated April 17, 1970, from Marsh & McLennon, Inc. to W. F. Wynne, Director of Risk Management of U.S. Plywood-Champion Papers, Inc.

(Page JA310)

JA 310

US PLYWD NY

RECEIVED

APR 17 1970

INSURANCE

MARSHMAC CGO

CHAMPION PAPERS INC. A-17-70 12:41 PM FROM C. W. DUGAN

ATTN MR. WILLIAM F. WYNNE

CONTINENTAL CASUALTY COMPANY HAS AGREED THAT COVERAGE UNDER THEIR POLICY IS NOT PREJUDICED BY YOUR CONTRACTING WITH THE LIBERTY TO CONTINUE THE SETTLEMENT OF CLAIMS INVOLVING THE CONTINENTAL VINYL MATTER. WE RECOMMEND AT U.S. PLYWOOD-CHAMPION PAPERS APLLY ALL PRESSURE NECESSARY TO GET THE LIBERTY TO AGREE TO BINDING ARBITRATION BY THE DEFENSE RESEARCH INSTITUTE.

A FORMAL LETTER WILL BE FORTHCOMING FROM THE CONTINENTAL CASUATLY COMPANY WHICH WILL OUTLINE THEIR POSITION IN DETAIL.

END

D5828

EXHIBIT

Letter Dated May 12, 1970, from F. G. Mason of Liberty Mutual Insurance Company to W. F. Wynne, Director of Risk Management of U.S. Plywood-Champion Papers, Inc.

(Pages JA312 to JA313)

May 12, 1970

Mr. W. F. Wynne
U. S. Plywood-Champion Papers Inc.
777 Third Avenue
New York, New York

Dear Bill:

Attached is a l[illegible]xhibit indicating the outstanding value of the Continental Vinyl occurrence.

As Mr. Farquharson advised, we need a fund of $225,000. to assist Plywood in this adjustment of excess loss. The fund would be set up by our Home Office Financial Department.

We expect to have all of the loss amounts adjusted in the next 120 days, with some 60% of the total loss settled in 60 to 90 days.

We intend to furnish monthly an itemized statement of losses paid, and allocated and unallocated expenses. Each individual settlement will be identified by Claimant and/or Payee, Check Number, Date Issued, Loss Amount and Allocated Amount. The special nature of this statement would not make it available before the sixth week.

When the advance is depleted to a point that appears insufficient to finance the current rate of disbursement, we will review with you the estimates for future settlements, and obtain additional advances as needed.

Very truly yours,

F. G. Mason
Division Service Manager

GM/dg
tt.

Estimate of Outstanding Loss:

220,000	Nauta-Line	Some 100 claims with average value of $2,000.
80,000	Cobra	About 43 trailer claims, plus Cobra's claim for damages.
75,000	Frome Art, Frolic Homes, All-Star Coach, Keystone Coach, Palomar Homes, Bobby's Custom Campers, Condor Coach, Universal Campers, Lafgren Mfg., Ute Liner, Rancho Trailers, Travco Corp.	Variety of small claims - almost entirely - dealing directly with manufacturers.
375,000		
5,000	Allocated Expenses	Damage surveys and appraisals by independent contractors.
57,000	Unallocated Expenses	Cost of adjusting and settling claims - 15%, computed as a percentage of loss.
$437,000		

EXHIBIT (EXCERPT)

Summary Sheet Headed "March 22, 1971-May 22, 1971," and the Succeeding 21 Pages Listing Payments During the Period March 22, 1971 to May 22, 1971 Made to Investigate and Settle Claims of Property Damage Arising from Delamination of Vinyl-Covered Panels Manufactured by Continental Vinyl Products Corp.

(Pages JA315 to JA336)

MARCH 22, 1971 - MAY 22, 1971

$ 22,314.25	P202-195671 R Cobra Industries	$ 747.35
$ 68,646.92	P202-195672 R Nauta Line, Inc.	$1,444.14
	P202-195805 R Frame Art	$ 32.47
$ 22,000.00	P202-195807 R All Star Coach	
$ 1,500.00	P202-195809 R Banner Homes	$ 111.18
$ 7,371.54	P202-195813 R Lofgren Mfg. Co.	$ 218.25
$ 4,237.23	P202-195814 R Ute Liner	$ 223.63
$ 3,075.00	P202-195815 R Rancho Trailers	$ 47.60
$ 13,010.00	P202-195817 R Riviera Mfg. Co.	$ 306.33
$ 3,270.28	P202-196198 Newcomer Mfg.	$ 484.33
$ 1,065.00	P202-196305 R Lampa Coach	$ 37.35
Total $146,490.22		$3,652.63

Total Combined $150,142.85

LOSS FP202-195671 R

Cobra Industries (Various)

	Claimant and/or Payee	Check #	Date Issued	Amount
1.	Cobra Industries	E1-26507	4-21-71	$17,077.85
2.	Charles L. Vernon	E4-95157	4- 8-71	1,425.00
3.	Bello Camperland, Inc.	E4-95195	4-16-71	1,331.00
4.	Bello Camperland, Inc.	E4-95196	4-16-71	1,339.50
5.	Vello Camperland, Inc.	E4-95194	4-16-71	1,140.95
			Total	$22,314.25

LOSS #P20-195672 R JA 317

Nauta Line, Inc. (Various)

	Claimant and/or Payee	Check #	Date Issued	Amount
1.	Joseph Itkin	E2-101506	3-24-71	$ 1,410.83
2.	Dr. Louis Levy	E2-101507	3-24-71	1,272.00
3.	F. P. Waguespack	E2-101508	3-24-71	1,590.00
4.	Charles Frances	E2-101662	3-30-71	3,735.00
5.	Robert Bowen	E2-101663	3-30-71	1,525.00
6.	Alvin W. Weerts	E2-101768	4- 1-71	1,410.83
7.	Clarence Dahl	E2-101756	4- 1-71	1,580.00
8.	Charles Henle	E2-101758	4- 1-71	1,131.15
9.	Alexander Bonner	E2-101924	4- 7-71	1,033.00
10.	Dr. Patsy R. Phelps	E2-101984	4- 8-71	1,260.00
11.	Holiday Manor	E2-101985	4- 8-71	2,548.00
1.	William Umphress	E2-102026	4-12-71	1,822.27
13.	William H. Michero	E2-102028	4-12-71	1,250.00
14.	Stan Miller	E2-102256	4-20-71	736.25
15.	James Lovell	E2-102257	4-20-71	1,747.64
16.	Kentuckiana Yacht	E2-102258	4-20-71	2,824.97
17.	Walker Blake	E2-102406	4-23-71	250.00
18.	Donald Redenhauser	E2-102407	4-23-71	1,450.00
19.	C. V. Alexander MD	E2-102408	4-23-71	1,750.00
20.	J. W. Loyd	E2-102431	4-26-71	1,217.21
21.	Alex Ginsberg	E2-102432	4-26-71	2,200.00
22.	Col. James Memphill	E2-102499	4-30-71	2,500.00

LOSS #P202-195672 R

Nauta Line, Inc, (Various)

	Claimant and/or Payee	Check #	Date Issued	Amount
23.	William Ashby	E2-102496	4-30-71	$ 1,927.65
24.	Ullian Houseboats	E2-102495	4-30-71	616.00
25.	William Quirk	E2-102497	4-30-71	1,800.00
26.	Quadricentennial, Inc.	E2-102498	4-30-71	50.00
27.	William Ensinger	E2-118551	5- 5-71	1,678.00
28.	Fox Lake Harbor	E2-118552	5- 5-71	1,560.00
29.	Nick Martorana	E2-118553	5- 5-71	1,580.00
30.	The Moulis Corporation	E2-118554	5- 5-71	1,580.00
31.	Dallas Darling	E2-118569	5- 5-71	1,558.00
32.	J. & K. Silpe	E2-118555	5- 5-71	600.00
33	Gerald Doctrow	E2-118631	5- 7-71	1,350.00
34.	Joseph Caplano	E2-118632	5- 7-71	3,150.00
35.	John Parnell	E2-118767	5-13-71	1,350.00
36.	Joseph Baccarella	E2-118768	5-13-71	1,640.00
37.	John Kerry	E2-118769	5-13-71	800.00
38.	Schatz Bros	E2-118770	5-13-71	1,600.00
39.	Robert Engstron	E2-118771	5-13-71	1,410.83
40.	Northampton	E2-118880	5-17-71	2,914.20
41.	Dana Corporation	E4-95237	4-23-71	865.16
42.	Burton Gelimore	E8-81486	4-28-71	2,220.00
43.	H. George Dent	E5-97368	3-15-71	1,197.00
44.	Amistad Houseboats	E9-50492	3-17-71	935.93
			Total	$68,646.92

LOSS #1 2-195607 JA 319

All Star Couch (Various)

	Claimant and/or Payee	Check #	Date Issued	Amount
1.	All Star Coach Inc.	E1		$22,000.00
			Total	$22,000.00

JA 320

LOSS #P202-195009

Bannor Homes Inc. (Various)

Claimant and/or Payee	Check #	Date Issued	Amount
1. Joseph Creggs	E4-95261	4-20-71	$1,500.00
		Total	$1,500.00

Lofgren Mfg. Co. (Various)

	Claimant and/or Payee	Check #	Date Issued	Amount
1.	Alan Jones	E2-101509	3-24-71	$ 773.07
2.	Fred Eden	E2-101922	4- 7-71	641.33
3.	Charles W. Brion	E2-101983	4-16-71	127.50
4.	Lofgren Mfg. Co.	E2-102170	4-16-71	816.50
5.	Albert Jacobson	E2-101970	4-16-71	809.45
6.	R. & P. Millen	E2-102172	4-16-71	840.00
7.	Pat Bruns	E2-102173	4-16-71	210.90
8.	Floyd Randall	E2-102483	4-28-71	875.00
9.	Frances E. Graham	E2-118661	5-10-71	1,083.44
10.	Ed Mc Ghee	E2-118673	5-10-71	439.20
11	Harvey Willemetzer	E2-118675	5-10-71	750.15
			Total	$7,371.54

Ute Liner Inc. (Various)

	Claimant and/or Payee	Check #	Date Issued	Amount
1.	Richard A. Jensen	E2-101665	3-30-71	$ 471.83
2.	Milo Hantvedt	E2-101935	4- 8-71	1,302.80
3.	Marv Miller	E2-118834	5-17-71	1,032.60
4.	Richard Smith	E2-118926	5-18-71	1,430.00
5.				
			Total	$4,237.23

LOSS #P202-195815

Rancho Trailers (Various)

	Claimant and/or Payee	Check #	Date Issued	Amount
1.	William R. Westman	E3-102266	4-20-71	$1,000.00
2.	Rancho Trailers, Inc.	E2-118637	5- 7-71	2,075.00
			Total	$3,075.00

Riviera Mfg. Co. (Various)

	Claimant and/or Payee	Check #2	Date Issued	Amount
1.	T. & E. Aljinovich	E2-102177	4-16-71	$ 750.00
2.	J. O. Bolton	E2-102178	4-16-71	1,150.00
3.	B. & W. Isaac	E2-102179	4-16-71	500.00
4.	Robert Korsen	E9-52436	3-19-71	1,275.00
5.	Riviera Mfg. Co.	E9-52439	3-19-71	2,772.31
6.	R. & M. Odneal	E9-36002	3-30-71	946.44
7.	Larry's Runner's Mart	E9-36051	4- 6-71	853.75
8.	Traveland USA	E2-102268	4-20-71	1,162.50
9.	R. & P. Richard	E2-102493	4-28-71	1,000.00
10.	Vernon Waldemeyer	E2-93259	4-30-71	750.00
11.	E. & B. Childs	E2-93260	4-30-71	1,000.00
	Vernon Waldemeyer	E2-118535	5- 7-71	250.00
13.	H. E. Read	E2-118682	5-17-71	600.00
			Total	$13,010.00

LOSS 4202-196198 JA 325

Newcomer Mfg. Co. (Various)

	Claimant and/or Payee	Check #	Date Issued	Amount
1.	L. & E. Belvins	E4-95033	3-30-71	$ 600.00
2.	Stough Mobile Homes Inc.	E4-95156	4- 8-71	500.00
3.	Robert W. Cotton	E4-95263	4-30-71	550.00
4.	F. & M. Mitchell	E4-95213	4-20-71	150.00
5.	Newcomer Mfg. Co., Inc.	E4-95326	5-14-71	767.14
6.	Newcomer Mfg. Co., Inc.	E4-95327	5-14-71	703.14
			Total	$3,270.28

LOSS #P202-196305 JA 326

Kampa Coach Mfg. Co. (Various)

Claimant and/or Payee	Check #	Date Issued	Amount
Wilbur Lebsacks	E2-102,23	4-26-71	$1,055.00
		Total	$1,055.00

ALLOCATED

ØP202-106305

Yampa Coach Mfg. Co. (Various)

Claimant and/or Payee	Check #	Date Issued	Amount
1. Crawford & Company	E2-102429	4-26-71	$37.35
		Total	$37.35

ALLOCATED

#P202-196198 R

Newcomer Mfg. Co. (Various)

	Claimant and/or Payee	Check #	Date Issued	Amount
1.	Crawford & Company	E2-102486	4-28-71	$ 71.08
2.	Crawford & Company	E2-102485	4-28-71	76.30
3.	Crawford & Company	E2-102487	4-28-71	57.75
4.	Crawford & Company	E2-118928	5-18-71	74.18
5.	Crawford & Company	E2-118929	5-18-71	111.82
6.	Crawford & Company	E2-118948	5-18-71	93.20
			Total	$484.33

Riviera Mfg. Co. (Various)

Claimant and/or Payee	Check #	Date Issued	Amount
Crawford & Company	E2-101923	4- 7-71	$ 42.35
Crawford & Company	E2-102260	4-20-71	104.80
Crawford & Company	E2-102421	4-26-71	36.60
Crawford & Company	E2-93261	4-30-71	21.00
Crawford & Company	E2-118671	5-10-71	44.95
Crawford & Company	E2-118672	5-10-71	39.55
Crawford & Company	E2-118883	5-17-71	17.08
		Total	
	Total		$306.33

ALLOCATED #P202-195815

Rancho Trailers (Various)

Claimant and/or Payee	Check #	Date Issued	Amount
General Adjustment	E2-102267	4-20-71	$47.60
		Total	$47.60

ALLOCATED #P202-195814 R

Ute Liner (Various

Claimant and/or Payee	Check #	Date Issued	Amount
General Adjustment	E2-101666	3-30-71	$ 38.65
General Adjustment	E2-101987	4- 8-71	71.95
General Adjustment	E2-118885	5-17-71	67.28
General Adjustment	E2-118925	5-18-71	45.75
		Total	$223.63

ALLOCATED JA 332 GP202-195809 B

Lofgren Mfg. Co. (Various)

	Claimant and/or Payee	Check #	Date Issued	Amount
1.	General Adjustment	E2-102174	4-16-71	$ 57.95
2.	General Adjustment	E2-116677	5-10-71	63.40
3.	General Adjustment	E2-116676	5-10-71	96.90
			Total	$218.25

ALLOCATED JA 333 #P202-19589?

Bannor Homes Inc. (Various)

Claimant and/or Payee	Check #	Date Issued	Amount
Crawford & Company	D2-116775	5-13-71	$111.18
		Total	$111.18

ALLOCATED #T202-195805

Crane Art (Various)

	Claimant and/or Payee	Check #	Date Issued	Amount
1.	Crawford & Company	E2-102/8S	4-28-71	$32.47
			Total	$32.47

ALLOCATED JA 335 #P202-195672 R

Nauta Line Inc. (Various)

	Claimant and/or Payee	Check #	Date Issued	Amount
1.	Cohan - Schmuchi	E2-101654	3-30-71	$ 49.00
2.	Linwood E. Harte	E2-101929	4- 7-71	65.00
3.	Douglas Mc Mitt	E2-102264	4-20-71	72.00
4.	Douglas Mc Mitt	E2-102262	4-20-71	80.00
5.	American Marine	E2-102261	4-20-71	79.74
6.	General Estimate	E2-102260	4-20-71	65.00
7.	Ford Mercer	E2-102259	4-20-71	70.08
8.	J. G. Marine	E2-102265	4-20-71	12.00
9.	Douglas Mc Mitt	E2-102263	4-20-71	82.00
10.	General Adjustment	E2-102410	4-23-71	57.00
11.	Albert Young, Jr.	E2-102409	4-23-71	55.00
12.	P. M. Hawkins	E2-102430	4-26-71	40.00
13.	Pat Flanagan	E2-93251	4-30-71	82.00
14.	Crawford & Company	E2-102500	4-30-71	64.05
15.	Crawford & Company	E2-118550	5- 5-71	27.63
16.	J. A. Wheelden	E2-118633	5- 7-71	60.00
17.	Ford M. Mercer	E2-118634	5- 7-71	1184.24
18.	Ford M. Mercer	E2-118784	5-13-71	90.92
19.	Albert Young	E2-118773	5-13-71	65.00
20.	Hildun Construction	E2-118774	5-13-71	22.80
21.	General Appraisal	E2-118831	5-17-71	120.68
			Total	$1,444.14

ALLOCATED

JA 336.

GP202-195671 R

Cobra Industries (Various)

	Claimant and/or Payee	Check #	Date Issued	Amount
1.	Crawford & Company	E2-102160	4-16-71	$ 70.97
2.	Crawford & Company	E2-102161	4-16-71	53.00
3.	Crawford & Company	E2-102405	4-23-71	42.95
4.	Crawford & Company	E2-102403	4-23-71	63.55
5.	Crawford & Company	E2-102402	4-23-71	53.35
6.	Crawford & Company	E2-118541	5- 5-71	18.50
7.	Crawford & Company	E2-118538	5- 5-71	43.63
8.	Crawford & Company	E2-118539	5- 5-71	29.10
9.	Crawford & Company	E2-118540	5- 5-71	90.22
10.	Crawford & Company	E2-118537	5- 5-71	36.00
11.	Crawford & Company	E2-118536	5- 5-71	38.10
	Crawford & Company	E2-118543	5- 5-71	207.98
			Total	$747.35

EXHIBIT

Deposition Upon Written Questions of Cobra Industries, Inc.

(Pages JA338 to JA359)

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

CHAMPION INTERNATIONAL CORPORATION, Plaintiff,	)	
-vs-	)	NO. 70 Civ 5277 C.E.S., Jr.
CONTINENTAL CASUALTY COMPANY, Defendant.	)	

The deposition of BOB J. HIGGINS, called as a witness by the plaintiff herein, pursuant to Notice of Taking of Deposition of Cobra Industries, Inc., Upon Written Questions Pursuant to Rule 31 of the Federal Rules of Civil Procedure, and taken at the offices of Cobra Industries, Inc., County Road No. 3, South, Elkhart, Indiana, on July 26, 1973, commencing at the hour of 10:00 o'clock A. M.

This deposition was taken before Charles A. Olmsted, Official Reporter for the United States District Court, Northern District of Indiana, South Bend Division.

Reported for
Charles A. Olmsted

A P P E A R A N C E S

No appearance by or on behalf of plaintiff.

Counsel of record for plaintiff:

KRONISH, LIEB, SHAINSWIT, WEINER & HELLMAN
By: ABNER P. SLATT, ESQ. and/or
LAWRENCE D. BERNFIELD, ESQ.
1345 Avenue of the Americas
New York, New York 10019

No appearance by or on behalf of defendant.

Counsel of record for the defendant:

HART & HUME
By: EUGENE F. BRADLEY, ESQ.,
10 East 40th Street
New York, New York 10016.

PRESENT:

ELLIOTT M. LYON, ESQ.,
Attorney at Law
Odyssey, Incorporated
1603 Orrington Avenue
Evanston, Illinois 60201.
(312)

MR. JOHN DYE, Controller,
Cobra Industries, Inc.

I N D E X

DEPOSITION OF BOB J. HIGGINS

DIRECT EXAMINATION -- Page 3

CROSS EXAMINATION -- Page 7

DEPOSITION EXHIBITS (Marked for Identification)

Number	Description	Page
1	List of Invoices. Purchases of Vinyl-Laminated Plywood	9
2	Document entitled "Cobra Industries Incorporated. Interior Panel Style"	13
3	Document headed "COBRA DESCRIPTION. U. S. PLYWOOD DESCRIPTION"	13

B O B J . H I G G I N S ,

called as a witness by the plaintiff herein, pursuant to Rule 31 of the Federal Rules of Civil Procedure, and pursuant to notice and stipulation attached, having been first duly sworn, was examined on written questions propounded by the Court Reporter, as follows:

D I R E C T E X A M I N A T I O N

Q-1 State your name, address and present employer.

A Bob J. Higgins, County Road 3, South, Cobra Industries, Incorporated.

Q-2 What positions have you held with your present employer, and during what periods of time did you hold each of those positions?

A President since January, '69.

Q-3 Did your company manufacture each of the products identified by unit number or other product identification number in Schedule "A"?

A Yes, with the possible exception of Unit No. 457. Whether that is a typographical error or not, I don't know, but it may be "1457". That is listed on page 3 of Schedule "A". It is not identifiable in its present form.

If the unit number would be "1457", it

would have been manufactured on those numbers on Schedule "A".

Q-4 If your answer to question 3 is "No," please provide a list indicating which units identified in Schedule "A", if any, were not manufactured by your company.

A We have to refer back to No. 3; otherwise, not available.

Q-5 With respect to those products identified in Schedule "A" which your company has manufactured, state whether your manufacturing process included the installation of vinyl-laminated plywood panels in those products.

A Yes.

Q-6 If your answer to question 5 is "Yes," state whether your company installed any of these vinyl-laminated plywood panels in its products identified in Schedule "A" either prior to November 30, 1967 or subsequent to February 1, 1971.

A No.

Q-7 If your answer to Question 6 is "No," you may skip this question. If your answer to question 6 is "Yes," provide a list of Unit Numbers of

your product, among those listed in Schedule "A", in which you installed vinyl-laminated plywood panels prior to November 30, 1967 or subsequent to February 1, 1971.

A (Not applicable.)

Q-8 State whether your company completed the manufacture of any of its products identified in Schedule "A" either prior to November 30, 1967 or subsequent to February 1, 1971.

A No.

Q-9 If your answer to question is "No," you may skip this question. If your answer to question 8 is "Yes," provide a list of Unit Numbers of your product, among those listed in Schedule "A", for which the manufacturing process was completed prior to November 30, 1967 or subsequent to February 1, 1971.

A (Not applicable.)

Q-10 If your company purchased the vinyl-laminated plywood panels which were installed in the products manufactured by it and identified in Schedule "A", state the name of the company from which your company purchased those panels.

A U. S. Plywood.

Q-11 State whether the vinyl-laminated plywood panels installed by your company in the products identified in Schedule "A" were delivered to your company in bundled packages or cartons which identified the manufacturer of those boards, and, if so, state the company so identified as the manufacturer of those boards.

A They were delivered in bundles, and I cannot say, you know, at this time, U. S. Plywood has painted onto the outside of the bundles their name. I can't say, you know, at this time whether or not those bundles that are in question did have their name stamped on it, or whose name was stamped on it.

Q-12 State the date on which your company completed the manufacture of the last completed unit, identified in Schedule "A", utilizing vinyl-laminated plywood panels identified in questions 10 and 11.

A As close as we can tell, November 19, 1969.

(End of questions as in direct examination by plaintiff.)

(The following are questions as in cross examination submitted by the attorneys for the defendant, and read to the witness by the Court Reporter, as follows:)

CROSS EXAMINATION

Q-1 If your company purchased the vinyl-laminated plywood panels which were installed in the products manufactured by it and identified in Schedule "A", does your company have in its possession any records relating to the purchase and receipt of said panels?

A Yes.

Q-2 If the answer to Question 1 is "Yes", describe said records.

A Invoices, purchase orders and packing slips.

Q-3 If your company purchased the vinyl-laminated plywood panels which were installed in the products manufactured by it and identified in Schedule "A", did your company acquire said panels in one purchase or in more than one purchase?

A More than one purchase.

Q-4 If your response to Question 3 is that your

company acquired the panels which were installed in the products manufactured by it and identified in Schedule "A" in more than one purchase, state the number of such purchases.

A Approximately 105 purchases of this type of material in question.

Q-5 If you are unable to answer Question 4, explain why you are unable to answer.

A I answered it.

Q-6 With respect to each purchase of the vinyl-laminated plywood panels which were installed in the products manufactured by your company and identified in Schedule "A", state (1) the date on which said panels were ordered by your company, (2) any identifying order number used by your company, and (3) the date on which said panels were received by your company

or

if your company's records include invoices from the seller for the vinyl-laminated plywood panels which were installed in the products manufactured by it and identified in Schedule "A" and you are willing to supply copies of said invoices for $0.25 per page to be paid by

defendant in the captioned matter, annex copies of such invoices to the transcript of this examination.

A We have attached a schedule here of those invoices.

MR. LYON: Mark this as an exhibit. Identify what this is and indicate what the columns represent.

(Whereupon, a document under title of "COBRA INDUSTRIES INCORPORATED. Purchase of Vinyl - Laminated Plywood from U. S. Plywood," said document consisting of two Xeroxed pages, was marked as Deposition Exhibit No. 1, for identification, as of 7-26-73.)

MR. LYON: Identify what this is and indicate what the columns represent.

THE WITNESS: One column represents "Invoice Date". The other ones represent --

MR. LYON: Excuse me. Is that invoice date from the seller?

THE WITNESS: Yes. Invoice number.

MR. LYON: Again from the seller's invoice?

THE WITNESS: From the seller. All of these are from the seller.

"Purchase Date" with the exception there (indicating) and our Purchase Order Numbers and "Receipt Date".

MR. LYON: Do you want to explain that last item on this schedule?

THE WITNESS: On the "Receipt Date"?

MR. LYON: Yes.

THE WITNESS: That is the date that the material was actually received at our Plant here.

MR. LYON: Excuse me.

THE WITNESS: From the vendor.

MR. LYON: I'm sorry. I confused him.

The last purchase of material was in March of 1970?

THE WITNESS: Yes.

MR. LYON: Earlier you stated that the last manufactured unit was November of 1969?

THE WITNESS: Right.

MR. LYON: The apparent conflict --

can you explain that?

THE WITNESS: Yes. In certain situations, certain type units came back according to their appearance to where the vinyl was peeling, either on the side-walls or the cabinets, or what-have-you -- the location of the unit -- and we had had the guy from the insurance company here and he thought at that time that we should try to repair this, the one or two particular units involved, so the purchase here (indicating) was made in March of '70, was for a small number of replacement panels for a particular unit to be -- to try to be repaired.

That is the reason -- the difference in the purchases from November until March.

Q-7 If you are unable to answer Question 6, explain why you are unable to answer.

A (Answered).

Q-8 Is your company able to identify by type, color, product number, lot number, order date or any other method of identification, the particular vinyl-laminated plywood panels installed in each

of the products manufactured by it and identified in Schedule "A"?

A Yes.

Q-9 If the answer to Question 8 is "Yes" describe the records of your company enabling it to identify the panels installed in each of said products and describe the available methods of identification of said panels.

A Production work orders that describe the interior, style and color of the panels in question.

Q-10 If the answer to Question 8 is "Yes", identify as fully as possible by the methods of identification described in response to Question 9, the particular vinyl-laminated plywood panels installed in each of the products manufactured by your company and identified in Schedule "A".

A We have an attached schedule here that represents those descriptions. That's it there (indicating).

MR. LYON: Are those both together (indicating)?

THE WITNESS: Yes.

MR. LYON: Off the record.

(Discussion held off the record.)

MR. LYON: Mark these and we will

talk about them for a second.

(Whereupon, a document under title of "COBRA INDUSTRIES INCORPORATED. Interior Panel Style. Coach No., Date, Type of Interior," said document consisting of 5 pages, was marked as Deposition Exhibit No. 2, for identification, as of 7-26-73.)

(Whereupon, a document under title of "COBRA DESCRIPTION. U. S. PLYWOOD DESCRIPTION," said document consisting of one page, was marked as Deposition Exhibit No. 3, for identification, as of 7-26-73.)

MR. LYON: Go back on the record, Bob. Why don't you explain what these refer to and what that date refers to, and so forth. Indicate that you are referring to Exhibit No. 2.

THE WITNESS: The date that you have here, John -- is this the --

MR. DYE: (Interrupting). The date on the Production Work Order.

THE WITNESS: The date that the

order was written -- not the actual manufacture?

It would have to be. That's the way it's set up.

MR. DYE: It has to be, yes.

THE WITNESS: Okay. In three different categories we have the Unit Serial Number which is referred to as the "Coach Number" here, the date that the order was written for production, and the type of interior, plywood color, and that type of interior color is the terminology that -- it's the Cobra description terminology.

We have two descriptions. We have one that is U. S. Plywood's description --

MR. LYON: You are referring, so he has it, you are referring to Exhibit 3 now, right?

THE WITNESS: Right. We have one that is Cobra's description and one that is U. S. Plywood's description, and they merely represent the same type panels -- just in different terminology as far as Cobra and

U. S. Plywood goes.

MR. LYON: Off the record.

(Discussion held off the record.)

MR. LYON: Back on the record.

Indicate that there are some items that ar incomplete and we just don't have the records for them, but that every number -- these numbers were taken from the Schedule "A" (indicating).

THE WITNESS: Okay. On Exhibit No. 2 the units that are incomplete are just because information was not available, couldn't be found, but they are also represented in Schedule "A".

MR. LYON: The column marked "Coach No." --

THE WITNESS: The Serial Number, right, the Coach Number.

MR. LYON: (Continuing) -- is from Schedule "A"?

THE WITNESS: Right.

Q-11 If your answer to Question 8 is "No", explain why your company cannot identify by type, color, product number, lot number, order date or any

other method of identification, the particular vinyl-laminated plywood panels installed in each of the products manufactured by your company and identified in Schedule "A".

A (Not applicable.)

Q-12 Did your company experience any delamination of the vinyl-laminated plywood panels installed in the products manufactured by it and identified in Schedule "A"?

A Yes.

Q-13 Did your company receive complaints from customers with respect to delamination of the vinyl-laminated plywood panels installed in the products manufactured by it and identified in Schedule "A"?

A Yes.

Q-14 If the answer in Question 12 or Question 13 is "Yes", did your company communicate with the seller of the vinyl-laminated plywood panels with respect to the delamination?

A Yes.

Q-15 If the answer to Question 14 is "Yes", state the date of and describe the substance of each such communication between your company and the

seller of the vinyl-laminated plywood panels with respect to the delamination.

MR. LYON: If I may say this -- and this can be on the record -- that I think it is probably my fault we are not fully prepared on that question. Part of the problem is, I am not exactly sure what the time period intended was there, whether they wanted just the earlier communications, or whether they wanted communications right up to this date, because there certainly has been a substantial number of communications which have been either in the form of telephone calls -- there have been meetings, both in Elkhart and New York City, and there have been letters written, I know, from my office; I have communicated quite often with Mr. Steve Brown at U. S. Plywood in New York over the whole period of time, perhaps starting somewhere in November or December of '69, and carrying right up until the recent weeks, so that perhaps if they could reframe the question so that we know exactly what time period they want, we would

be happy to pull from our files whatever we have.

Q-16 If the answer to Question 12 or Question 13 is "Yes", were any of the products manufactured by your company and identified in Schedule "A" manufactured after your company first experienced such delamination and/or received complaints from customers with respect to such delamination?

A The company stopped using the materials when we realized the problem was serious.

Q-17 If the answer to Question 16 is "Yes", describe the circumstances surrounding your company's continued manufacture of these products after experiencing such delamination and/or receiving complaints from customers with respect to such delamination.

MR. LYON: Off the record.

(Discussion held off the record.)

THE WITNESS: I might add to that, until which time that we saw that there was some quantity involved -- now one or two units in an isolated condition didn't bother us too much, but when it came into large quantities, the reports, and what-have-you, this is when we really realized that

we had a serious problem.

(Q-17 repeated as follows:)

Q-17 If the answer to Question 16 is "Yes", describe the circumstances surrounding your company's continued manufacture of these products after experiencing such delamination and/or receiving complaints from customers with respect to such delamination.

A We stopped after numerous complaints.

MR. LYON: Generally referring back to the prior answer.

THE WITNESS: Right.

(Signature waived.)

- - - oOo - - -

CERTIFICATE

STATE OF INDIANA)
) SS:
ST. JOSEPH COUNTY)

I, Charles A. Olmsted, Official Reporter for the United States District Court, Northern District of Indiana, South Bend Division, and a Notary Public in and for the County of St. Joseph, State of Indiana, do hereby certify that heretofore, to-wit, on the 26th day of July, 1973, at the offices of Cobra Industries, Inc., County Road No. 3, South, Elkhart, Indiana, there came before me, one, Bob J. Higgins, called as a witness by the plaintiff herein, pursuant to Notice of Taking of Deposition upon Written Questions Pursuant to Rule 31 of the Federal Rules of Civil Procedure.

I further certify that the said witness was by me first duly sworn to testify the truth, the whole truth, and nothing but the truth in the aforesaid cause; that the testimony then given by him was by me reduced to writing in the presence of said witness by means of shorthand, and afterwards transcribed upon a typewriter, and that the foregoing is a true and correct transcript of the testimony so given by him, as aforesaid.

I further certify that I am not counsel

for nor in any way related to any of the parties to this suit, nor am I in any way interested in the outcome thereof.

IN TESTIMONY WHEREOF, I have hereunto set my hand this 7 day of August, A. D., 1973.

Charles A. Olmsted,
U. S. Court Reporter and
Notary Public

Exhibit 1 Annexed to Deposition Upon Written Questions of Cobra Industries, Inc.

(Pages JA361 to JA362)

DEPOSITION EXHIBIT
1-d
7-26-77

COBRA INDUSTRIES INCORPORATED
Purchases of Vinyl - Laminated Plywood
from U. S. Plywood

Invoice Date	Number	Purchase Date	Order Number	Receipt Date
1-27-69	96964	1-22-69	2593	1-27-69
1-27-69	96963	1-22-69	2593	1-27-69
1-27-69	97148	1-27-69	2622	1-27-69
1-30-69	97243	1-29-69	2650	1-30-69
1-30-69	97261	1-29-69		1-30-69
1-15-69	96688	1-14-69	2272	1-15-69
2-03-69	97037	1-17-69	2299	1-20-69
1-20-69	97036	1-17-69	2299	1-20-69
2-03-69	96678	1-14-69	2272	1-13-69
2-03-69	96662	1-14-69	2272	1-13-69
2-10-69	97489	2-05-69	2712	2-10-69
2-10-69	97244	1-29-69	2650	1-30-69
2-18-69	97677	2-12-69	2767	2-18-69
2-20-69	97488	2-05-69	2712	2-10-69
3-03-69	97880	2-19-69	2321	2-19-69
2-19-69	97881	2-19-69	2321	2-19-69
3-03-69	97919	2-19-69	2320	2-24-69
2-28-69	98121	2-26-69	2364	2-27-69
3-05-69	97921	2-19-69	2320	
3-05-69	97682	2-12-69	2767	2-18-69
3-05-69	98120	2-26-69	2364	2-27-69
3-06-69	98359	3-05-69	2393	3-06-69
3-10-69	98374	3-05-69	2394	3-10-69
3-13-69	98596	3-12-69	2441	3-13-69
3-19-69	98837	3-19-69	2550	3-19-69
3-31-69	98842	3-19-69	2502	3-20-69
3-20-69	98843	3-19-69	2502	3-20-69
3-31-69	98667	3-13-69	2449	3-18-69
3-18-69	98664	3-13-69	2449	3-18-69
3-25-69	98844	3-19-69	2501	3-25-69
3-27-69	99034	3-26-69	2805	3-27-69
4-14-69	99340	4-02-69	2866	4-07-69
4-07-69	99336	4-02-69	2866	4-07-69
4-11-69	99040	3-26-69	2806	4-11-69
4-02-69	99039	3-26-69	2806	4-01-69
4-15-69	10031	4-09-69	2905	4-15-69
4-18-69	10108	4-15-69	2907	4-17-69
4-18-69	10175	4-17-69	2978	4-18-69
4-18-69	99526	4-09-69	2903	4-18-69
4-25-69	99523	4-09-69	2905	4-15-69
4-16-69	99524	4-09-69	2905	4-15-69
4-22-69	10192	4-17-69	2979	4-22-69
4-25-69	99513	4-09-69	2904	4-11-69
4-25-69	98599	4-12-69	2441	3-13-69
5-02-69	10176	4-17-69	2978	4-28-69
5-09-69	10346	4-23-69	3029	4-30-69
5-05-69	10508	4-30-69	3089	5-05-69

5-13-69	10507	4-30-69	3088	5-01-69
5-02-69	10502	4-30-69	3088	5-01-69
5-02-69	10344	4-23-69	3029	4-30-69
5-13-69	10722	5-07-69	3131	5-13-69
5-08-69	10721	5-08-69	3130	5-08-69
5-14-69	10941	5-14-69		5-14-69
5-23-69	11170	5-20-69	3237	5-23-69
5-20-69	10954	5-14-69	3189	5-20-69
5-22-69	10720	5-08-69	3130	5-18-69
5-22-69	10724	5-07-69	3131	5-13-69
5-26-69	11173	5-20-69	3238	5-26-69
5-16-69	10946	5-14-69	3188	5-16-69
6-02-69	11418	5-28-69	3312	6-02-69
6-02-69	10949	5-14-69	3189	5-20-69
6-11-69	11799	6-10-69	3399	6-11-69
6-12-69	11848	6-12-69	3414	
6-13-69	11877	6-12-69	3414	6-13-69
6-13-69	11908	6-13-69	3424	6-14-69
6-09-69	11172	5-20-69	3238	5-26-69
6-20-69	11794	6-10-69	3398	6-10-69
6-17-69	11986	6-16-69		6-17-69
6-17-69	11945	6-16-69		6-16-69
6-20-69	11710	6-09-69	3385	6-09-69
6-26-69	11802	6-10-69	3399	6-11-69
6-20-69	11422	5-29-69	3312	6-02-69
6-26-69	11876	6-12-69	3414	6-13-69
6-30-69	12341	6-27-69		6-27-69
6-24-69	12186	6-20-69	3508	6-24-69
7-07-69	12188	6-23-69	3522	6-24-69
7-07-69	12102	6-19-69	3501	6-20-69
7-11-69	12687	7-10-69	3916	7-10-69
7-01-69	11910	6-13-69	3424	6-14-69
7-14-69	12550	7-07-69	3466	7-07-69
7-16-69	12823	7-14-69	3940	7-15-69
7-22-69	13004	7-21-69	3994	7-22-69
7-22-69	12824	7-14-69	3940	7-15-69
7-25-69	13185	7-25-69	3580	7-25-69
7-18-69	12958	7-17-69	3981	7-18-69
7-31-69	13206	7-28-69	3584	7-29-69
8-07-69	13080	7-23-69	3551	7-24-69
8-06-69	13455	8-04-69	3641	8-05-69
8-07-69	13209	7-28-69	3584	7-29-69
8-04-69	13408	7-28-69	3584	8-01-69
8-04-69	13349	7-31-69	3614	8-01-69
8-01-69	13006	7-18-69	3841	7-22-69
8-08-69	13555	8-06-69	3682	8-07-69
8-13-69	13742	8-13-69	3790	8-14-69
8-14-69	13454	8-04-69	3641	8-05-69
8-14-69	13554	8-06-69	3682	8-07-69
8-14-69	13348	7-31-69	3614	8-14-69
8-26-69	13740	8-13-69	3791	8-25-69
9-11-69	13730	8-13-69	3781	8-13-69
9-11-69	13731	8-13-69	3780	8-13-69
9-04-69	14209	9-02-69		9-03-69
8-26-69	14013	8-25-69	4041	8-26-69
9-02-69	13589	8-07-69		8-25-69
9-02-69	14012	8-25-69	4041	8-26-69
3-20-70	19174	3-19-70	4040	3-19-70

Exhibit 2 Annexed to Deposition Upon Written Questions of Cobra Industries, Inc.

(Pages JA364 to JA368)

DEPOSITION EXHIBIT #2,d 7-24-73

COBRA INDUSTRIES INCORPORATED

Interior Panel Style

Coach No.	Date	Type of Interior
cc-1127	4-9-69	Spanish Walnut
cc-1128	4-9-69	Blackthorne Pecan
cc-1181	4-22-69	Spanish Walnut
cc-1216	5-2-69	Spanish Walnut
cc-1290	5-2-69	Blackthorne Pecan
cc-1291	5-19-69	Blackthorne Pecan
cc-1310	5-27-69	Spanish Walnut
cc-1331	6-3-69	Spanish Walnut
cc-1346	6-10-69	Blackthorne Pecan
cc-1383	6-16-69	Blackthorne Pecan
cc-1391	6-20-69	Blackthorne Pecan
cc-1434	6-30-69	Spanish Walnut
cc-1438	7-7-69	Spanish Walnut
cc-1440	7-7-69	
cc-1445	7-7-69	Blackthorne Pecan
cc-1452	7-11-69	Spanish Walnut
cc-1459	7-15-69	Blackthorne Pecan
cc-1462	7-18-69	Blackthorne Pecan
cc-1494	7-18-69	Spanish Walnut
cc-1496	7-18-69	Spanish Walnut
cc-1498	7-18-69	Spanish Walnut
cc-1499	7-18-69	Walnut
cc-1500	7-18-69	Blackthorne Pecan
cc-1501	7-18-69	Spanish Walnut
cc-1505	7-21-69	Blackthorne Pecan
cc-1507		
cc-1508	7-20-69	Spanish Walnut
cc-1519	7-30-69	Walnut
cc-1520	7-30-69	Walnut
cc-1524	7-30-69	Blackthorne Pecan
cc-1528	7-30-69	Spanish Walnut
cc-1539	8-5-69	Walnut
cc-1540	9-5-69	Spanish Walnut
cc-1542	8-4-69	Blackthorne Pecan
cc-1543	8-5-69	Oak
cc-1545	8-5-69	Walnut
cc-1546	8-5-69	Oak
cc-1548	8-6-69	Walnut
cc-1549	8-6-69	Spanish Walnut
cc-1551	8-6-69	Blackthorne Pecan
cc-1552	8-11-69	Walnut
cc-1553	8-13-69	Spanish Walnut
cc-1554	8-5-69	Blackthorne Pecan
cc-1585	8-13-69	Spanish Walnut
cc-1586	8-13-69	Spanish Walnut
cc-1587	8-13-69	Spanish Walnut

Coach No.	Date	Type of Interior
cc-1589		
cc-1590	8-13-69	Spanish Walnut
cc-1591		
cc-1593	8-13-69	Lt. Hickory
cc-1594	8-13-69	Spanish Walnut
cc-1595	8-13-69	Spanish Walnut
cc-1598	8-23-69	Blackthorne Pecan
cc-1599	8-23-69	Spanish Walnut
cc-1600	8-25-69	Walnut
cc-1601		
cc-1602	8-25-69	Spanish Walnut
cc-1603	8-25-69	Spanish Walnut
cc-1604	8-25-69	Walnut
cc-1605	8-25-69	Spanish Walnut
cc-1608	8-25-69	Blackthorne Pecan
cc-1609	8-25-69	Oak
cc-1646	8-28-69	Spanish Walnut
cc-1648	8-28-69	Walnut
cc-1649	8-13-69	Blackthorne Pecan
cc-1652	9-2-69	Walnut
cc-1653	9-2-69	Spanish Walnut
cc-1655		Walnut
cc-1657		Walnut
cc-1658		Walnut
cc-1663	9-5-69	Walnut
cc-1664	9-5-69	Spanish Walnut
cc-1673		Spanish Walnut
cc-1675		Blackthorne Pecan
cc-1700		Spanish Walnut
cc-1702	9-10-69	Walnut
cc-1705		
cc-1706	9-15-69	Spanish Walnut
cc-1707	9-15-69	Spanish Walnut
cc-1708	9-15-69	Spanish Walnut
cc-1717	9-18-69	Blackthorne Pecan
cc-1723	9-22-69	Blackthorne Pecan
cc-1729	9-24-69	Spanish Walnut
cc-1730	9-24-69	Spanish Walnut
cc-1736	9-25-69	Blackthorne Pecan
cc-1737		
cc-1745	9-30-69	Spanish Walnut
cc-1746	10-28-69	Spanish Walnut
cc-1748	9-30-69	Spanish Walnut
cc-1765	10-10-69	Blackthorne Pecan
cc-1767	10-10-69	Blackthorne Pecan
cc-1781	10-15-69	Blackthorne Pecan
cc-1806		
cc-1907	11-19-69	Walnut
ct-1013		
ct-1264	5-12-69	Spanish Walnut
ct-1276	5-13-69	Spanish Walnut
ct-1315	5-27-69	Blackthorne Pecan
ct-1324	5-29-69	Blackthorne Pecan
ct-1349	6-7-69	Spanish Walnut
ct-1353	6-23-69	Blackthorne Walnut
ct-1358	6-10-69	Blackthorne Walnut
ct-1362	6-11-69	Spanish Walnut

Model No.	Date	Type of Interior
ct-1369	6-10-69	Blackthorne Pecan
ct-1377	6-13-69	Blackthorne Pecan
ct-1387	6-20-69	Bayou Pecan
ct-1399	6-23-69	Blackthorne Pecan
ct-1406	6-30-69	Blackthorne Pecan
ct-1412	7-7-69	Walnut
ct-1413	7-7-69	Walnut
ct-1417		
ct-1418	7-10-69	Walnut
ct-1419	7-10-69	Blackthorne Pecan
ct-1420	7-10-69	Blackthorne Pecan
ct-1423	7-10-69	Spanish Walnut
ct-1424	7-10-69	Spanish Walnut
ct-1425	7-10-69	Walnut
ct-1426	7-11-69	Spanish Walnut
ct-1427	7-14-69	Spanish Walnut
ct-1430	7-15-69	Spanish Walnut
ct-1431	7-17-69	Blackthorne Pecan
ct-1432	7-18-69	Walnut
ct-1433	7-17-69	Walnut
ct-1466	7-17-69	Spanish Walnut
ct-1475	7-23-69	Walnut
ct-1476	7-23-69	Walnut
ct-1478	7-23-69	Blackthorne Pecan
ct-1479	7-24-69	Walnut
ct-1480	7-24-69	Spanish Walnut
ct-1481	7-24-69	Walnut
ct-1483	7-24-69	Walnut
ct-1487	7-28-69	Spanish Walnut
ct-1489	7-30-69	Walnut
ct-1490	8-1-69	Walnut
ct-1491	8-5-69	Spanish Walnut
ct-1492	8-5-69	Walnut
ct-1554	8-5-69	Blackthorne Pecan
ct-1555	8-4-69	Walnut
ct-1559	8-5-69	Spanish Walnut
ct-1560	8-5-69	Walnut
ct-1561	8-5-69	Walnut
ct-1562	8-5-69	Walnut
ct-1563	8-5-69	Spanish Walnut
ct-1564	8-6-69	Spanish Walnut
ct-1565	8-6-69	Blackthorne Pecan
ct-1566	8-6-69	Walnut
ct-1567	8-6-69	Walnut
ct-1568	8-8-69	Oak
ct-1569	8-8-69	Walnut
ct-1570	8-11-69	Blackthorne Pecan
ct-1571	8-11-69	Blackthorne Pecan
ct-1572	8-11-69	Blackthorne Pecan
ct-1574	8-11-69	Walnut
ct-1575	8-11-69	Walnut
ct-1577	8-11-69	Walnut
ct-1579	8-13-69	Blackthorne Pecan
ct-1581	8-13-69	Blackthorne Pecan
ct-1582	8-13-69	Walnut
ct-1583	8-13-69	Bayou Pecan
ct-1616	8-13-69	Lt. Hickory

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Model No.	Date	Type of Interior
ct-1620	8-25-69	Walnut
ct-1621	8-25-69	Spanish Walnut
ct-1622	8-25-69	Spanish Walnut
ct-1623	8-25-69	Walnut
ct-1624	8-25-69	Spanish Walnut
ct-1625	8-25-69	Blackthorne Pecan
ct-1626	8-25-69	Spanish Walnut
ct-1627	8-25-69	Walnut
ct-1628	8-26-69	Spanish Walnut
ct-1629	8-25-69	Spanish Walnut
ct-1630	8-25-69	Walnut
ct-1631		
ct-1633	8-26-69	Spanish Walnut
ct-1636	8-30-69	Spanish Walnut
ct-1637		
ct-1638	8-30-69	Spanish Walnut
ct-1639	8-30-69	Spanish Walnut
ct-1641	9-2-69	Walnut
ct-1643	9-2-69	Blackthorne Pecan
ct-1674	9-2-69	Walnut
ct-1676		Walnut
ct-1677		Walnut
ct-1678	9-4-69	Spanish Walnut
ct-1679	9-4-69	Spanish Walnut
ct-1680	9-4-69	Spanish Walnut
ct-1681	9-4-69	Spanish Walnut
ct-1683	9-5-69	Walnut
ct-1687	9-9-69	Spanish Walnut
ct-1688		
ct-1689	9-8-69	Walnut
ct-1690	9-9-69	Spanish Walnut
ct-1691		Spanish Walnut
ct-1693	10-14-69	Spanish Walnut
ct-1694		
ct-1695	9-10-69	Spanish Walnut
ct-1696	9-10-69	Spanish Walnut
ct-1697	9-10-69	Spanish Walnut
ct-1801	9-15-69	Spanish Walnut
ct-1805	9-16-69	SPanish Walnut
ct-1810	9-18-69	Spanish Walnut
ct-1811	9-18-69	Spanish Walnut
ct-1812	9-18-69	Spanish Walnut
ct-1813	9-18-69	Spanish Walnut
ct-1818	9-23-69	Spanish Walnut
ct-1820	9-23-69	Spanish Walnut
ct-1822	9-24-69	Spanish Walnut
ct-1823	9-24-69	Spanish Walnut
ct-1824	9-24-69	Spanish Walnut
ct-1825	9-24-69	Spanish Walnut
ct-1826	9-25-69	Blackthorne Pecan
ct-1827	9-25-69	Blackthorne Pecan
ct-1829		
ct-1830	9-27-69	Spanish Walnut
ct-1833	9-27-69	Spanish Walnut
ct-1835		
ct-1847	10-6-69	Blackthorne Pecan
ct-1849	10-6-69	Spanish Walnut

Model No	Date	Type of Interior
ct-1850	10-6-69	Spanish Walnut
ct-1857	10-7-69	Blackthorne Pecan
ct-1882	10-20-69	Blackthorne Pecan
ct-2023	11-1-69	Walnut
ct-2024	11-1-69	Blackthorne Pecan
ct-2025		
cc-1784	10-15-69	Blackthorne Pecan

Exhibit 3 Annexed to Deposition Upon Written Questions of Cobra Industries, Inc.

(Page JA370)

DEPOSITION EXHIBIT #3,d 7-26-73

COBRA DESCRIPTION		U. S. PLYWOOD DESCRIPTION
Blackthorne Pecan	-	Dark Pecan
Spanish Walnut	-	Avalon Walnut
Walnut	-	Del Mar Walnut
Oak	-	Monterey Oak
Bayou Pecan	-	Bayou Pecan

Schedule A Annexed to Deposition Upon Written Questions of Cobra Industries, Inc.

(Pages JA372 to JA374)

SCHEDULE "A" JA 372

Unit Number
or
Other Available Number
of
Product Manufactured
by

COBRA INDUSTRIES, INC.

CT 1620	CT 1801	CT 1582	CT 1560	CC 1653
CT 1574	CT 1810	CC 1539	CC 1590	CT 1822
		CT 1882		

CC 1702-106

CC 1524 110
CT 1805 215

C-T-1418-215

CT-1683-215

C-C-1767-106

CT 1324 195

CC 1608 106

CT 1857 265

C-C-1496-110

C-T-1481-195

C-T-1563-175

CC-1600-106

C-T-1847-215

C-C-1501-9

C-T-1478-235

C-T-1575-195

C-T-1264-195

C-C-1781-110

C-C-1723-110

CC 1438 106

C-T-1565-215

C-T-1424-195

CT-1420-195

C-C-1604-110

Schedule "A"

page 2

CT-1349-175

CC 1127 140

CC 1648 CT 1419 CT 1358 CT 1577 CT 1579

CT 2024 CC 1748 CC 1290 CC 1181 CC 1705
CC 1746 CT 1824 CT 1423 CC 1729 CT 1641
CC 1462

CC 1658 CC 1706 CT 1492 CT 1480

CT 1581 CC 1585 CT 1369 CC 1663 CT 1830
CT 1697 CC 1707 CC 1589

CT 1387-175

CT 1565 215

C-C-1765-106

C-C-1598-110

CC 1543 CT 1639 CT 1616 CT 1572 CT 1643
CC 1609 CC 1505 CT 1570 CC 1655 CC 1649
CT 1426 CC 1346

CT 1412 CT 1413 CT 1430 CC 1434 CC 1445
CT 1479 CT 1623 CT 1691 CC 1736 CT 1627
CT 1566 CT 1362 CC 1459 CC 1494 CC 1500
CT 1568 CT 1677 CC 1542 CC 1440 CC 1452
CC 1907 CC 1546 CC 1600

CT 1417 CT 1811 CC 1331 CT 1432 CC 1784
CT 1571

CT 1579

CT 1687 CT 1689 CC 1595 CC 1587 CC 1553
CT 1562 CT 1630 CT 1353 CT 1690 CT 1820
CT 1555 CC 1730 CC 1708 CT 1693 CT 1676
CC 1499 CC 1508 CT 1466 CC 1498 CT 1638
CT 1567 CC 1605 CT 1813 CT 1696 CT 1679
CC 1585 CT 1425 CT 1827 CT 1276 CC 1604
CT 1818 CC 1549 CC 1552 CT 1427 CC 1310
CT 1487 CT 1554 CT 1561 CC 1291 CC 1806
CC 1551 CC 1673 CC 1675 CT 1678 CT 1349
CC 1528 CC 1594 CT 1694 CC 1507 CT 1569
CT 1564 CT 1637 CT 1629 CC 1598 CC 1548
CT 1583 CC 1593 CT 1626 CC 1551 CC 1383

CT 1173 CT 1315 CT 1399 CT 1406 CT 1431
CT 1433 CT 1475 CT 1476 CT 1483 CT 1489
CT 1490 CT 1491 CT 1621 CT 1622 CT 1624
CT 1625 CT 1626 CT 1628 CT 1633 CT 1636
CT 1674 CT 1680 CT 1681 CT 1812 CT 1823
CT 1825 CT 1833 CC 1745 CT 1849 CT 1850
CC 1519 CC 1520 CC 1540 CC 1545 CC 1559
CC 1602 CC 1603 CC 1646 CC 1652 CC 1700

CC 1591 CT 1688 CC 1737 CT 1835 CC 1584

Schedule "A"
page 3

CC 1216-106

C-T-1377-215

CT 2023 215

CC 1128 140

CT 1013-175

CT 1695-215

CT 2025-215

CC-1717-106

CC-1391-110

CT-1826-195

1559-195

1657-9

457

CT-1829-195
CT-1631-195
CC-1601-9

EXHIBIT

Deposition Upon Written Questions of Nauta-Line, Inc.

(Pages JA376 to JA388)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

CHAMPION INTE[illegible]NAL CORPORATION,	)	
	)	
Plaintiff,	)	
	)	
-against-	)	70 Civ. 5277
	)	
CONTINENTAL CASUALTY COMPANY,	)	
	)	
Defendants.	)	

Answers to Interrogatories by WILLIAM B. CALDWELL

COUNSEL OF RECORD AS NOTED IN
THE ATTACHED DOCUMENTS:

For the Plaintiff,
Champion International
Corporation:

Kronish, Lieb, Shainswit,
Weiner & Hellman
1345 Avenue of the Americas
New York, New York 10019

For the Defendant:

Hart & Hume
10 East 42nd Street
New York, New York 10016

REPORTED BY:

Virginia K. Wells

PREPARED FOR:



VIRGINIA K. WELLS
CERTIFIED SHORTHAND REPORTER
1110 STAHLMAN BLDG., NASHVILLE, TENNESSEE
255-2736



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

CHAMPION INTERNATIONAL CORPORATION,

Plaintiff,

-against-

CONTINENTAL CASUALTY COMPANY,

Defendant.

70 Civ. 5277

- -

The deposition of WILLIAM B. CALDWELL, Nauta-Line, Inc., Gallatin, Tennessee, taken pursuant to notice, upon written questions and cross-questions, and pursuant to stipulation between plaintiff and defendant in the above cause, all of which are attached herewith.

- -

COUNSEL OF RECORD AS NOTED IN THE ATTACHED DOCUMENTS:

For the Plaintiff, Champion International Corporation:	Kronish, Lieb, Shainswit, Weiner & Hellman 1345 Avenue of the Americas New York, New York 10019
For the Defendant:	Hart & Hume 10 East 42nd Street New York, New York 10016

WILLIAM B. CALDWELL,

of Nauta-Line, Inc., Gallatin, Tennessee, having been duly sworn to tell the truth, the whole truth, and nothing but the truth, submitted the following answers in reply to written questions and cross-questions, attached herewith, as follows:

QUESTIONS PROPOUNDED ON BEHALF OF THE PLAINTIFF:

Q1. State your name, address and present employer.

A. William B. Caldwell, #60 Dickerson Bay Drive, Route #3, Gallatin, Tennessee; Nauta-Line, Inc.

Q2. What positions have you held with your present employer, and during what periods of time did you hold each of those positions?

A. Senior Cost Accountant, 3/1/69; Accounting Manager, 10/1/70; Controller and Sales Manager 10/15/71; and Vice President, 6/1/72.

Q3. Did your company manufacture each of the products identified by unit number or other product identification number in Schedule "A"?

A. Most of the numbers as referred to in Schedule "A" are the same as Nauta-Line Hull Serial Numbers on some of the units produced by Nauta-Line during the model years '69 and '70.

Q4. If your answer to question 3 is "No," please provide a list indicating which units identified in Schedule "A", if

any, were not manufactured by your company.

A. With reference to Schedule "A" the following numbers have never been used by Nauta-Line for any identification purposes. FL8139A-R; AL-1501-AA; MC-2380-HF; CF8359EL; F11730AR; and OH-1968-LB.

Q5. With respect to those products identified in Schedule "A" which your company has manufactured, state whether your manufacturing process included the installation of vinyl-laminated plywood panels in those products.

A. Yes.

Q6. If your answer to question 5 is "Yes," state whether your company installed any of these vinyl-laminated plywood panels in its products identified in Schedule "A" either prior to November 30, 1967 or subsequent to February 1, 1971.

A. No.

Q7. If your answer to Question 6 is "No," you may skip this question. If your answer to question 6 is "Yes," provide a list of Unit Numbers of your product, among those listed in Schedule "A", in which you installed vinyl-laminated plywood panels prior to November 30, 1967 or subsequent to February 1, 1971.

A. N/A.

Q8. State whether your company completed the manufacture of any of its products identified in Schedule "A"

either prior to November 30, 1967 or subsequent to February 1, 1971.

A. No.

Q9. If your answer to question 8 is "No," you may skip this question. If your answer to question 8 is "Yes," provide a list of Unit Numbers of your product, among those listed in Schedule "A", for which the manufacturing process was completed prior to November 30, 1967 or subsequent to February 1, 1971.

A. N/A.

Q10. If your company purchased the vinyl-laminated plywood panels which were installed in the products manufactured by it and identified in Schedule "A", state the name of the company from which your company purchased those panels.

A. U. S. Plywood Champion Papers, Inc.

Q11. State whether the vinyl-laminated plywood panels installed by your company in the products identified in Schedule "A" were delivered to your company in bundled packages or cartons which identified the manufacturer of those boards, and, if so, state the company so identified as the manufacturer of those boards.

A. The plywood panels were delivered to Nauta-Line in banded bundles with cardboard protection on the banded edges. No one currently employed at Nauta-Line has any recollections of any identification marks on the bundles so indicating the

manufacturer of the panels.

Q12. State the date on which your company completed the manufacture of the last completed unit, identified in Schedule "A", utilizing vinyl-laminated plywood panels identified in questions 10 and 11.

A. With reference to Schedule "A", the last units produced per Size and Hull Number are as follows:

34'	1339	4/22/70
43'	514	6/25/70

****

QUESTIONS PROPOUNDED ON BEHALF OF THE DEFENDANT:

Q1. If your company purchased the vinyl-laminated plywood panels which were installed in the products manufactured by it and identified in Schedule "A", does your company have in its possession any records relating to the purchase and receipt of said panels?

A. Yes.

Q2. If the answer to Question 1 is "yes", describe said records.

A. Purchase Orders - Receiving Records - Invoices.

Q3. If your company purchased the vinyl-laminated plywood panels which were installed in the products manufactured by it and identified in Schedule "A", did your company acquire said panels in one purchase or in more than one purchase?

A. More than one purchase.

Q4. If your response to Question 3 is that your company acquired the panels which were installed in the products manufactured by it and identified in Schedule "A" in more than one purchase, state the number of such purchases.

A. Numerous - Depending upon your definition of what constitutes a purchase. In defining a single purchase as a single purchase order there are 52 on record at Nauta-Line.

Q5. If you are unable to answer Question 4, explain why you are unable to answer.

A. N/A.

Q6. With respect to each purchase of the vinyl-laminated plywood panels which were installed in the products manufactured by your company and identified in Schedule "A", state (1) the date on which said panels were ordered by your company, (2) any identifying order number used by your company, and (3) the date on which said panels were received by your company

or

if your company's record's include invoices from the seller for the vinyl-laminated plywood panels which were installed in the products manufactured by it and identified in Schedule "A" and you are willing to supply copies of said invoices for $0.25 per page to be paid by defendant in the captioned matter, annex copies of such invoices to the transcript of this examination.

A. This information is a matter of accounting record on file at Nauta-Line and is available for inspection on request. With respect to the request for copies Nauta-Line would be willing to do so at a rate of $40.00 per hour for professional services and $0.25 per page for copies.

Q7. If you are unable to answer Question 6, explain why you are unable to answer.

A. N/A.

Q8. Is your company able to identify by type, color, product number, lot number, order date or any other method of

identification, the particular vinyl-laminated plywood panels installed in each of the products manufactured by it and identified in Schedule "A"?

A. No.

Q9. If the answer to Question 8 is "yes" describe the records of your company enabling it to identify the panels installed in each of said products and describe the available methods of identification of said panels.

A. N/A.

Q10. If the answer to Question 8 is "yes", identify as fully as possible by the methods of identification described in response to Question 9, the particular vinyl-laminated plywood panels installed in each of the products manufactured by your company and identified in Schedule "A".

A. N/A.

Q11. If your answer to Question 8 is "no", explain why your company cannot identify by type, color, product number, lot number, order date or any other method of identification, the particular vinyl-laminated plywood panels installed in each of the products manufactured by your company and identified in Schedule "A".

A. Because Nauta-Line purchased the panels in bulk lots as a standard paneling installed in all units being produced at the time.

Q12. Did your company experience any delamination of the

vinyl-laminated plywood panels installed in the products manufactured by it and identified in Schedule "A"?

A. Yes.

Q13. Did your company receive complaints from customers with respect to delamination of the vinyl-laminated plywood panels installed in the products manufactured by it and identified in Schedule "A"?

A. Yes.

Q14. If the answer in Question 12 or Question 13 is "yes", did your company communicate with the seller of the vinyl-laminated plywood panels with respect to the delamination?

A. Nauta-Line communicated with the party from whom we purchased the paneling; U. S. Plywood Champion Papers, Inc.

Q15. If the answer to Question 14 is "yes", state the date of and describe the substance of each such communication between your company and the seller of the vinyl-laminated plywood panels with respect to the delamination.

A. It is impossible to state the dates and exact substance of each such communication as there were numerous phone conversations and memos between numerous parties during this time period. However there were at least two formal meetings. One was held on 3/11/70 and another on 12/9/70 to discuss the problem. The exact substance of those meeting is too lengthy to describe but are a matter of record at Nauta-Line and will be made available if requested.

Q16. If the answer to Question 12 or Question 13 is "yes", were any of the products manufactured by your company and identified in Schedule "A" manufactured after your company first experienced such delamination and/or received complaints from customers with respect to such delamination?

A. Yes.

Q17. If the answer to Question 16 is "yes", describe the circumstances surrounding your company's continued manufacture of these products after experiencing such delamination and/or receiving complaints from customers with respect to such delamination.

A. We were assured by U. S. Plywood Champion Papers Inc. that it was an isolated problem that had been corrected and before the bulk of the complaints were received and we realized just how serious the condition was it was too late.

AND FURTHER DEPONENT SAITH NOT.

WILLIAM B. CALDWELL

REPORTER'S CERTIFICATE

STATE OF TENNESSEE)
)
COUNTY OF DAVIDSON)

I, VIRGINIA K. WELLS, a Court Reporter and Notary Public, State of Tennessee at Large, with offices at Nashville, do hereby certify:

That on the 27th day of July, 1973, at 9:30 o'clock A.M., I went to the offices of the Nauta-Line Company, Inc., at #1 Nauta-Line Drive, Hendersonville, Tennessee, carrying with me the documents attached hereto, they being Notice of Taking of Deposition on Written Questions of Nauta-Line, Inc., Notice of Cross-Questions directed to the attorneys for plaintiff, Notice of Taking of Deposition Upon Written Questions directed to the witness, Stipulation between plaintiff and defendant in the above-styled action; that I was introduced to Mr. William B. Caldwell, he stating he was the official of the company who would respond to the written interrogatories in the matter of Champion International Corporation versus Continental Casualty Company, 70 Civ. 5277 now pending in the United States District Court for the Southern District of New York.

That the said witness stated that he had already prepared and submitted answers to the written interrogatories; and swore that these answers were indeed his testimony in

response to such interrogatories; he then supplied me, the Court Reporter, with copies of these answers to such interrogatories, and they are incorporated in the attached transcript as his testimony.

I further certify that there were no appearances for the litigants at the taking of this testimony; it being solely upon the enclosed written interrogatories and cross-interrogatories.

I further certify that I am not associated with the offices of either counsel, and that I am not connected by blood or marriage with either of the said parties, and that I am not interested directly or indirectly in the matter in controversy.

I further certify that, without the said deposition being out of my possession, I sealed the same up in an envelope and deposited the same in the United States Mail, postage prepaid, and certified mail, addressed for delivery to the law firm of Kronish, Lieb, Shainswit, Weiner & Hellman, 1345 Avenue of the Americas, New York, New York 10019, pursuant to the enclosed Stipulation of counsel.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the seal of my office this 7th day of August, 1973.

Virginia K. Wells

VIRGINIA K. WELLS
NOTARY PUBLIC
STATE OF TENNESSEE AT LARGE

My Commission Expires: June 8, 1975.

Schedule A Annexed to Deposition Upon Written Questions of Nauta-Line, Inc.

(Pages JA390 to JA393

SCHEDULE "A" **JA 390**

Unit Number
or
Other Available Number
of
Product Manufactured
by

NAUTA-LINE, INC.

FL8139A-R

243

43-243

24843

914 1016 1249 420
976 1026 1280 455
986 1028 271 456
996 1081 294 487
1006 1241 327

291

301-43

440, 319

43-325

43-325

331

33543

70-42443
70-123634
69-34043
69-33943
69-50643

343

344-43

345

34643

347

348-43

351

354

256

357

358

35943, 109134

401

402

403-43

407-43

409-43

410

43-411

42

413-43

415-43

1246, 416

417

418

419

420-43

423

425

426, 1254

426

427
429
429
430
433
434-43
435-43
436
437-43
438-43
43-442
448
43-482
485-43
496
501
43-643
1013
1033
1039
104234
1044
1048
1054
1056-34, 1080-34
1057
106134
1062-34
1063
1064-34
1066
1068
106934
1070
1071
1072
1074
1075
1078
1081
1082 (Registration # is DL-8101-C)
108434
1086-34
1086
108734
1088-34
1089
109234
1093
1100
1101
34-1102
1103
1103
1104-34
1229, 1108, 1109
1110
1111

1113	1233-34
1116	1234
1117-34	1239
1118	1243-34
1119	124434
1120	1247
1121	1248-34
1122	1249
1124	1251
112534	1252
1201, 1335, 2829	1252
1203	1253-34
1204-34	1254
120534	125634
1210, 1240	1258
1213-34	1259-34
1214	1260
1214	1261
1215	1262-34
121634	1263
1217	1264-34
1219-34	1266
1220-34	1267
1221-34	1268-34
1223	1268-34
1224	1272-34
1227	1273
1228-34	1274-34
1231-34	1275-45
1232	1276-34

1277

1278

1281

1279

34-1281

1283-34

1285

1286

1287

1288

1289-34

1299

1304

1306

1307

1311-34

133934

1280-34

AL-1501-AA

2816-28

MC-2380-HF (Registration #)

CF8359EL (Registration #)-(Hull # is 35243)

F11730AR (Registration #)

485
404
1049
1123
1237

1122	1047	1079	1272	1257	1125	1119
423	428	1212	506	1260	1110	
501	972	1093	450	438	1095	
1271	1208	1216	1223	1042	1131	
1047	1269	514	1235	1124	1115	

1045-34

1314

1110

1289-34

108534

408

406
1105
1083

414

1067

1211

1222

1265

975

1073

945

944

489

OH-1968-LB

1095

EXHIBIT

Deposition Upon Written Questions of Lofgren Manufacturing Company

(Pages JA395 to JA410)

UNITED STATES DISTRICT COURT,
SOUTHERN DISTRICT OF NEW YORK

- -x

CHAMPION INTERNATIONAL CORPORATION,
Plaintiff,
- against -
CONTINENTAL CASUALTY COMPANY,
Defendant.

70 Civ. 5277

Deposition of
RICHARD LYMAN ELDER LOFGREN,

Answers to written questions propounded pursuant to Rule 31 of the Federal Rules of Civil Procedure.

- -x

BE IT REMEMBERED that, on the 27th day of July, 1973, the deposition of RICHARD LYMAN ELDER LOFGREN, produced as a witness at the instance of the plaintiff in the above-entitled action now pending in the above-named court, was taken before Joyce R. Heder, a Notary Public and Certified Shorthand Reporter in and for the State of Utah, commencing at the hour of 10:00 o'clock A. M. of said day at the office of Lofgren Manufacturing Company, whose address is 4654 South 3rd West, Murray, Utah.

That the said deposition was taken pursuant to stipulation of respective counsel upon written interrogatories propounded pursuant to Rule 31 of the Federal Rules of Civil Procedure; the first group of questions propounded on behalf of plaintiff, Champion International Corporation (formerly

known as U. S. Plywood Champion Papers, Inc.); and the second group of interrogatories being cross questions propounded by defendant in the above-entitled action.

That there were no counsel present at the taking of said deposition.

That the said witness was by said Notary Public, before examination, duly sworn to testify the truth, the whole truth, and nothing but the truth in said cause.

During the taking of this deposition, Mr. Justin V. Richardson acted in the capacity of propounding the written questions to the witness; Mrs. Heder, the Notary Public and Certified Shorthand Reporter, checking the questions read and recording the answers given.

RICHARD LYMAN ELDER LOFGREN,

the witness now produced to answer the interrogatories of the plaintiffs and defendants, having been first duly sworn by the Notary Public, was interrogated and made answers as follows:

QUESTIONS PROPOUNDED ON BEHALF OF PLAINTIFF

Question 1 State your name, address, and present employer?

A Richard Lyman Elder Lofgren; do you want my home address? 4645 South 3rd West. My employer, Lofgren Manufacturing Company.

Question 2 What positions have you held with your

present employer, and during what periods of time did you hold each of those positions?

A I am president.

Question 3 Did your company manufacture each of the products identified by unit number or other product identification number in Schedule A?

A Yes.

Question 4 (Skipped)

Question 5 With respect to those products identified in Schedule A which your company has manufactured, state whether your manufacturing process included the installation of vinyl-laminated plywood panels in those products?

A Yes.

Question 6 If your answer to Question 5 is "yes," state whether your company installed any of these vinyl-laminated plywood panels in its products identified in Schedule A either prior to November 30, 1967 or subsequent to February 1, 1971?

A It is hard for me to give positive time on each one of the manufactured dates of when it went through our assembly line, but I was using Continental vinyl prior to November of 1969. We used it, almost exclusively, up until the time of the delamination problem. Then, we used another product, which was prior to February of '71. According to the list, I believe that all on the list, as near as I can tell, all that

were on the list Schedule A were manufactured between November, '69 and February 1, 1971.

Question 7 If your answer to Question 6 is "no," you may skip this question. If your answer to Question 6 is "yes," provide a list of unit numbers of your product, among those listed in Schedule A, in which you installed vinyl-laminated plywood panels prior to November 30, 1967 or subsequent to February 1, 1971.

A My answer, subsequently, was "no," we didn't think we had, but our records can't verify that close; so, my answer is "no," so, now, want to go to "8."

Question 8 State whether your company completed the manufacture of any of its products identified in Schedule "A" either prior to November 30, 1967 or subsequent to February 1, 1971.

A That is the same question; it sounds like the same question, and my answer will be, to the best of my knowledge, the answer is "no." All on the Schedule A were manufactured between these dates; not prior or after.

Question 9 If your answer to Question 8 is "no," you may skip this question. If your answer to Question 8 is "yes," provide a list of unit numbers of your product, among those listed in Schedule A, for which the manufacturing process was completed prior to November 30, 1967 or subsequent to February 1, 1971.

A It is the same question; they have done the same thing--duplicated. Okay; it was "no." Now, go to "10."

Question 10 If your company purchased the vinyl-laminated plywood panels which were installed in the products manufactured by it and identified in Schedule "A," state the name of the company from which your company purchased those panels.

A "Continental Plywood"--what is their true name--originally, we purchased directly from Continental Vinyl Products Corporation; and, then, just prior to the delamination problem, we started buying through U. S. Plywood Corporation because Continental had set them up as a distributor; authorized distributor.

Question 11 State whether the vinyl-laminated plywood panels installed by your company in the products identified in Schedule "A" were delivered to your company in bundled packages or cartons which identified the manufacturer of those boards, and, if so, state the company so identified as the manufacturer of those boards.

A I am not sure if each bundle had a tag, designating "Continental Vinyl," but they were sold to us and delivered and invoiced by Continental Vinyl; later, by U. S. Plywood for Continental Vinyl.

Question 12 State the date on which your company completed the manufacture of the last completed unit, identified in Schedule "A", utilizing vinyl-laminated plywood panels

identified in Questions 10 and 11.

A To the best of my records, the closest--which would be close--the date completing would be our 17-foot No. 1770 3622, completed approximately June 10, 1970.

CROSS QUESTIONS TO LOFGREN MANUFACTURING COMPANY

Question 1 If your company purchased the vinyl-laminated plywood panels which were installed in the products manufactured by it and identified in Schedule "A," does your company have in its possession any records relating to the purchase and receipt of said panels?

A Yes.

Question 2 If the answer to Question 1 is "yes," describe said records.

A We have paid invoices and cancelled checks.

Question 3 If your company purchased the vinyl-laminated plywood panels which were installed in the products manufactured by it and identified in Schedule "A," did your company acquire said panels in one purchase or in more than one purchase?

A In many purchases by an agreement made with the man --anyway, I don't recall his name--but back at the trailer show at the Navy Pier in Chicago, in the fall of '67, I had made an agreement with the head sales manager--not recalling his name--to, basically, use all Continental Vinyls for the

following year, so that, our agreement was an over-all one, but to be ordered in separate orders. It was a blanket order to be brought in, as needed, by separate ordering.

"Rome Hanning"; in checking records, I find the man's name was "Rome Hanning."

Question 4 If your response to Question 3 is that your company acquired the panels which were installed in the products manufactured by it and identified in Schedule "A" in more than one purchase, state the number of said purchases.

A It is very difficult to count how many, through the period of the years, to know exactly; but, in excess of 65, and they were shipped as we needed, approximately so many per month but, to give an exact number of how many invoices, I cannot do--or I am not able to do, at this time.

Question 5 If you are unable to answer Question 4, explain why you are unable to answer.

A We did explain it in answer to No. 4.

Question 6 With respect to each purchase of the vinyl-laminated plywood panels which were installed in the products manufactured by your company and identified in Schedule "A," state (1) the date on which said panels were ordered by your company, (2) any identifying order number used by your company, and (3) the date on which said panels were received by your company

or

if your company's records include invoices from the seller for the vinyl-laminated product panels which were installed in the products manufactured by it and identified in Schedule "A" and you are willing to supply copies of said invoices for $0.25 per page to be paid by defendant in the captioned matter, annex copies of such invoices to the transcript of this examination.

A In the original, I made an agreement with Rome Hanning, as stated, prior, to use, almost exclusively, Continental Vinyl plywood. Later, our purchasing department used purchase orders and references--we used purchase orders, and which could be referred back in most cases to invoices. We have invoices and cancelled checks for all purchases from Continental Plywood, direct--Continental Vinyl Products, direct, and, later, from U. S. Plywood. It would be a great imposition and hard, to go through all of our records and try and dig them out and make copies, at this time. We would be willing and happy, if, at a later date, you find it necessary to do this, at said price. Further, it will be impossible for us to determine which purchase or invoice coincides with any particular or specific trailer or unit in Schedule "A."

Question 7 If you are unable to answer Question 6, explain why you are unable to answer.

A We have answered "6," to the best of our ability--to the best of my ability.

Question 8 Is your company able to identify by type,

color, product number, lot number, order date or any other method of identification, the particular vinyl-laminated plywood panels installed in each of the products manufactured by it and identified in Schedule "A?"

A To answer that, the answer is "yes," to the point that Continental Plywoods vinyl had its own features and looks its own colors, so we could identify from another manufacturer's type of vinyl, of which we were using none--or almost none--at that time. But, for me to go back, now, and identify--look at a trailer and identify it as such and such a number being purchased from such and such an invoice, this would be impossible; but I can identify Continental's plywood, as Continental's plywood from the samples as it was prior stated, had its own specific looks and colors, not copied by any others, to my knowledge.

Question 9 If the answer to Question 8 is "yes," describe the records of your company enabling it to identify the panels installed in each of said products and describe the available methods of identification of said panels.

A Our answer is already in No. 8; individually, as per invoice, not able; but, as for vinyl coming from Continental, yes.

Question 10 If the answer to Question 8 is "yes," identify as fully as possible by the methods of identification described in response to Question 9, the particular vinyl-

laminated plywood panels installed in each of the products manufactured by your company and identified in Schedule "A."

A As stated, in repetition to "8" and "9," it would only be by color and type of graining and the kind of vinyl used, but this was, without doubt, able to be determined from any other manufacturer's vinyl.

Then, put in there: It sounds like the man writing the questions stutters, or he thinks the same thing several times over, because we are going through the same questions, many times, and it is getting confusing.

Question 11 If your answer to Question 8 is "no," explain why your company cannot identify by type, color, product number, lot number, order date or any other method of identification, the particular vinyl-laminated plywood panels installed in each of the products manufactured by your company and identified in Schedule "A."

A To answer Question "11," again, is the same question reversed in the other ones, but our answer was "yes," so, there is no sense in reiterating our answer.

Question 12 Did your company experience any delamination of the vinyl-laminated plywood panels installed in the products manufactured by it and identified in Schedule "A?"

A Absolutely, yes.

Question 13 Did your company receive complaints from customers with respect to delamination of the vinyl-laminated

plywood panels installed in the products manufactured by it and identified in Schedule "A?"

A Absolutely, yes.

Question 14 If the answer in Question 12 or Question 13 is "yes," did your company communicate with the seller of the vinyl-laminated plywood panels with respect to the delamination?

A Absolutely, yes.

Question 15 If the answer to Question 14 is "yes," state the date of and describe the substance of each such communication between your company and the seller of the vinyl-laminated plywood panels with respect to the delamination.

A To give exact dates would be impossible, as most communications were just done over the phone; but I, personally, called Rome Hanning on the phone and stated the problem.

He said, "Don't worry; we have had one little problem with glue; it was the people manufacturing the glue that changed the formula; we knew about it. It is under control. We will make good any problems, but to continue buying, and have faith in them."

And, several other times, he told me that he was getting disgusted with the company and was looking to--going to another field; and, as I recall, it was going to be a chiropractor or something else, but he wanted to leave the

plywood field and get into something, altogether, out of it. He had had all he could stand.

Then, U. S. Plywood stepped in and, with their insurance company, or with themselves, they had an insurance adjuster --a man, named "Bammerlin," who would come, and he was with an adjustment bureau; he would come and appraise any trailers and go over them with us, if they were here or outside, and appraise them, and then let us know of his decisions, and they would make restitution to our customers, or to our dealers' customers; but, as prior stated, we didn't have any formal, to my knowledge, written, dated documents with Continental Vinyl as to what was going to happen.

I took Rome Hanning's word, it would all be taken care of; and, at the time we chose Continental Vinyl, we had tried several others and theirs had to have been, in my estimation, the very best, and, for several years, continued to be, and had the reputation throughout the industry of being the very finest, until said time of the delamination.

Question 16 If the answer to Question 12 or Question 13 is "yes," were any of the products manufactured by your company and identified in Schedule "A" manufactured after your company first experienced such delamination and/or received complaints from customers with respect to such delamination?

A To give a positive "yes" or "no" would be

impossible; but, to give a probable "yes" would be my judgement in the fact that we had plywoods cut, going through the line, and, as soon as the first call of delamination came, we didn't just stop the line and quit work.

I contacted Rome Hanning, and he stated, "Don't worry; go ahead," but, as soon as we realized that it was a major problem, and, as soon as we could change to something else, this we did; so that, by the time we realized it wasn't just one or two feet or any of this, we did make a change, immediately, and have not used the product since, except to repair some that were already bad.

Question 17 If the answer to Question 16 is "yes," describe the circumstances surrounding your company's continued manufacture of these products after experiencing such delamination and/or receiving complaints from customers with respect to such delamination.

A This answer, yes, stated in "16."

* * *

CERTIFICATE OF THE WITNESS

THIS IS TO CERTIFY that I am the witness in the foregoing deposition named; that I have read the preceding thirteen pages of the transcript, containing the written interrogatories propounded to me on July 27, 1973, followed by the answers which I gave to said interrogatories; and the same is a full, true, and correct transcript of my said answers, except as I have corrected my answers, in ink; said corrections and the reasons for same, appear on Pa: _____, and are initialed by me.

_____
Witness in the foregoing Deposition

Subscribed and sworn to before me, this 4 day of September, 1973.

_____
Notary Public, residing at
Salt Lake City, Utah

C E R T I F I C A T E

STATE OF UTAH)
) SS
COUNTY OF SALT LAKE)

THIS IS TO CERTIFY that the deposition of RICHARD LYMAN ELDER LOFGREN, the witness in the foregoing deposition named, was taken before Joyce R. Heder, a Notary Public and Certified Shorthand Reporter in and for the State of Utah, residing in Salt Lake City, Utah, pursuant to stipulation of respective counsel hereir, at the office of Lofgren Maufacturing Company, whose address is 4654 South Third West, Murray, Utah, on the 27th day of July, 1973.

That the said witness was, by me, before examination, duly sworn to testify to the truth, the whole truth, and nothing but the truth in said cause.

That the said witness was interrogated by written interrogatories submitted by the plaintiff, Champion International Corporation (formerly, U. S. Plywood Champion Papers, Inc.); and by defendant, Continental Casualty Company; as indicated herein.

That the answers to the interrogatories propounded to the witness were reported by me in shorthand; and, thereafter, by me, caused to be transcribed into typewriting; and that a full, true, and correct transcript of the interrogatories read and answers given thereto, is set forth in the foregoing pages, numbered from two to thirteen, both inclusive; and

said witness deposed and answered as in the foregoing annexed deposition set out.

I further certify that I am not of kin, nor in anywise associated with any of the parties to said cause of action, nor their counsel, and that I am not interested in the event thereof.

WITNESS my hand and official seal at Salt Lake City, Utah, this 7th day of September, 1973.

Joyce R. Heder

Notary Public and Certified Shorthand Reporter

My Commission Expires March 27, 1976

Schedule A Annexed to Deposition Upon Written Questions of Lofgren Manufacturing Company

(Pages JA412 to JA415)

SCHEDULE "A"

JA 412

Unit Number
or
Other Available Number
of
Product Manufactured
by

LOFGREN MANUFACTURING CO.

185-2228-69TC
85-RD2425-70
17-69-3182
17-69-3240
17-69-3282
17-70-3348
17-69-3196
17-69-3191
17-69-3203
B-69-1284
17-69-3163
11-69-406
17-69-3127
17-69-3164
17-69-3148
11-70-419
17-70-3311
9-70-436
17-69-3125
17-69-3159
17-69-3102
11-16-398
17-70-3356
15-70-3432
17-70-3325
17-69-3190
17-69-3234
26-703386
17-69-3133
11-70-415
970-437
9-70-439
69-17-3068
17-69-3115
9-70-440
9-70-442
9-70-424
11-69-399
17-69-3206

A70-1308
17-69-3162
17-69-3092
A-70-1309
11-69-412
17-69-3180
17-69-3283
17-70-3354
17-69-3262
11-70-418
17-69-3143
17-69-3201
17-69-3137
17-69-3099
17-69-3199
17-69-3117
17-69-3075
17-69-3137
17-70-414
9-70-438
19-69-3269
17-70-3315
17-69-3219
17-69-3120
11-70-423
17-69-3131
19-69-3252
17-69-3083
17-69-3144
17-69-3146

17-70-3334
17-69-3169
17-70-3338
17-69-3236
17-69-3172
17-69-3229
17-[illegible]3107
17-[illegible]3118
11-70-417
11-70-416
17-69-3161
17-69-3181
17-69-3235
17-69-3108
19-70-3302
17-70-3314
17-70-3622
9-70-431
17-69-3109
17-69-3087
17-70-3353
17-69-3086
17-69-3195
17-69-3218
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17-69-3095
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17-70-3317
17-69-3151
19-70-3362

17-70-3323
17-69-3152
17-70-3316
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17-69-3057
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19-70-3375
17-69-3122
17-70-3320
17-69-3165
17-70-3332
15-70-3430
17-69-3207
17-69-3288
17-69-3193
17-69-3116
17-69-3227
17-69-3140
19-70-3366
17-69-3003
17-70-3346
17-70-3349
19-69-3255
17-69-3175
17-69-3225
19-70-3371
19-70-3369
17-69-3155
17-70-3333
17-70-3345
11-69-394
26-70-3380
17-70-3350
11-69-396
19-70 3370
17-69-3186
17-70 3342
11-69-395
17-69-3161
17-69-3125
17-69-3274
17-69-3166
17-69-3237
17-69-3124
17-70-3328
17-69-3275
8-70-457
17-70-3343
17-70-3340
17-69-3171
8-70-469
15-70-3417
17-69-3216
17-70-3344
19-69-3263
26-70-3385
17-69-3174
17-69-3187
11-70-421

17-69-3273

17-70-3324

17-69-3085

17-69-3085

19-70-3295

19-70-3361

17-69-3123

17-70-3355

17-69-3200

17-69-3156

17-69-3222

17-69-3100

17-69-3273

9-70-435

17-69-3089

17-69-3104

17-69-3156

17-70-3339

17-30-3358

17-69-3228

17-70-3329

17-69-3153

17-69-3238

17-69-3188

17-70-3289

19-70-3376

17-69-3183

17-69-3231

19-69-3268

26-70-3383

17-69-3246

17-69-3272

EXHIBIT

Deposition Upon Written Questions of Rancho Trailers, Inc.

(Pages JA417 to JA428)

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF NEW YORK

-ooo-

CHAMPION INTERNATIONAL CORPORATION,

Plaintiff,

-against-

CONTINENTAL CASUALTY COMPANY,

Defendant.

70 Civ. 5277

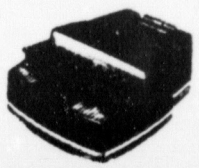
DEPOSITION OF RALPH H. LANG TAKEN UPON WRITTEN QUESTIONS

-ooo-

BE IT REMEMBERED, that on the 31st day of July, 1973, commencing at the hour of 3:30 o'clock p.m., the deposition of Ralph H. Lang, called as a witness on behalf of the plaintiff in the above-entitled action, was taken pursuant to Rules 30(b)(6), 31, and 31(a) of the Federal Rules of Civil Procedure and pursuant to attached notices and stipulation, before Ronald F. Hubbard, notary public and certified shorthand reporter in and for the State of Utah, at 845 South Main, Nephi, Utah.

That there were no counsel present at the taking of said deposition.

That the witness was sworn before examination to testify to the truth, the whole truth, and nothing but the truth in said cause; that there was present as a spectator, Glen T. Bean, Branch Manager of U. S. Plywood, 1969 South 300 West,



RONALD F. HUBBARD
~~524-0179~~
355-7111

Salt Lake City, Utah.

That the taking of said deposition was continued from July 30, 1973, at 10 a.m., to this date and time by request to the witness because of the court schedule of the notary-reporter.

That the questions were read and recorded by the notary-reporter and that the answers were recorded as given by the witness.

-oOo-

RALPH H. LANG,

called as a witness on behalf of the plaintiff, being first duly sworn by the notary, testified as follows:

WRITTEN QUESTIONS ON BEHALF OF PLAINTIFF

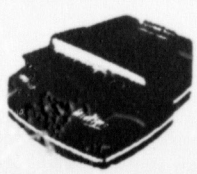
BY MR. HUBBARD:

Q 1. State your name, address, and present employer.

A Ralph H. Lang, 845 South Main, Nephi, Utah. Rancho Trailers, Inc.

Q 2. What positions have you held with your present employer, and during what periods of time did you hold each of those positions?

A Okay. I've been employed here, myself, approximately fifteen years. I've been a partner, part owner, for eight of those--or, ten. The last two years I'm the sole owner. Prior to that it was a partnership. I'm the president of the



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corporation.

Q 3. Did your company manufacture each of the products identified by unit number or other product identification number in Schedule A?

A Yes, we did.

Q 4. If your answer to Question 3 is no, please provide a list indicating which units identified in Schedule A, if any, were not manufactured by your company.

A We answered yes. So there would be no answer on that one.

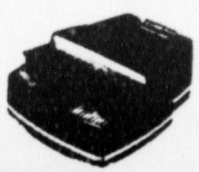
Q 5. With respect to those products identified in Schedule A which your company has manufactured, state whether your manufacturing process included the installation of vinyl-laminated plywood panels in those products.

A The answer is yes.

Q 6. If your answer to Question 5 is yes, state whether your company installed any of these vinyl-laminated plywood panels in its products identified in Schedule A either prior to November 30, 1967, or subsequent to February 1, 1971.

A That is the time that we installed the panels, approximately.

Q 7. If your answer to Question 6 is no, you may skip this question. If your answer to No. 6 is yes, provide a list of unit numbers of your product among those listed in



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Schedule A in which you installed vinyl-laminated plywood panels prior to November 30, 1967, or subsequent to February 1, 1971.

A The approximate time, going by our records of invoices and serial numbers, was actually around May 1, 1969, to February 1, 1971. The units manufactured in that time were when the vinyl paneling problem occurred.

Q 8. State whether your company completed the manufacture of any of its products identified in Schedule A either prior to November 30, 1967, or subsequent to February 1, 1971.

A The answer is no to that.

Q 9. If your answer to Question 8 is no, you may skip this question. If your answer to Question 8 is yes, provide a list of unit numbers of your product, among those listed in Schedule A, for which the manufacturing process was completed prior to November 30, 1967, or subsequent to February 1, 1971.

A The answer was no. So there will be no answer to that.

Q 10. If your company purchased the vinyl-laminated plywood panels which were installed in the products manufactured by it and identified in Schedule A, state the name of the company from which your company purchased those panels.

A The name of the company is U. S. Plywood, 1968 South 2nd West in Salt Lake City.

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Q 11. State whether the vinyl-laminated plywood panels installed by your company in the products identified in Schedule A were delivered to your company in bundled packages or cartons which identified the manufacturer of those boards; and, if so, state the company so identified as the manufacturer of those boards.

A They occurred in cartons. I believe they were cardboard cartons. They said "Continental Vinyl" on them and listed the name of the wood coloring, which I can't remember the two colors. Do you remember them? I don't remember the name of the colors on them. They got in two colors.

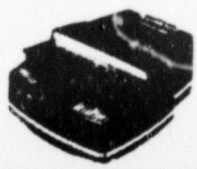
Q 12. State the date on which your company completed the manufacture of the last completed unit, identified in Schedule A, utilizing vinyl-laminated plywood panels identified in Questions 10 and 11.

A That would be the same date as February 1, 1971, approximately.

WRITTEN QUESTIONS ON BEHALF OF DEFENDANT

Q 1. If your company purchased the vinyl-laminated plywood panels which were installed in the products manufactured by it and identified in Schedule A, does your company have in its possession any records relating to the purchase and receipt of said panels?

A Yes. And I furnish you herewith approximately 90 copies



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of invoices starting with the year 1969, '70, and '71, with relation to the wood, the vinyl problem that we're referring to (handing).

Q 2. If the answer to Question 1 is yes, describe said records.

A They are invoices or billing from U. S. Plywood.

Q 3. If your company purchased the vinyl-laminated plywood panels which were installed in the products manufactured by it and identified in Schedule A, did your company acquire the said panels in one purchase or in more than one purchase?

A In more than one purchase.

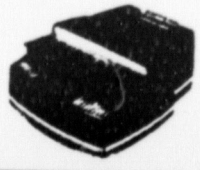
Q 4. If your response to Question 3 is that your company acquired the panels which were installed in the products manufactured by it and identified in Schedule A in more than one purchase, state the number of such purchases.

A I cannot state the number, but it refers back to this group of invoices.

Q 5. If you are unable to answer Question 4, explain why you are unable to answer.

A We answered Question 4.

Q 6. With respect to each purchase of the vinyl-laminated plywood panels which were installed in the products manufactured by your company and identified in Schedule A, state (1) the date on which said panels were ordered by your



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company, (2) any identifying order number used by your company, and (3) the date on which said panels were received by your company; or if your company's records include invoices from the seller for the vinyl-laminated plywood panels which were installed in the products manufactured by it and identified in Schedule A, and you are willing to supply copies of said invoices for 25 cents per page to be paid by defendant in the captioned matter, annex copies of such invoices to the transcript of this examination.

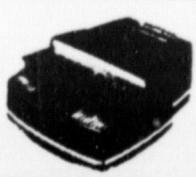
A Okay. We furnished the copies of the invoice, and I cannot furnish actual numbers for our ordering. All I have is just the record of the purchase from the--that's all I have on that.

Q 7. If you are unable to answer Question 6, explain why you are unable to answer.

A As far as I know, I answered Question 6 to the best of my ability.

Q 8. Is your company able to identify by type, color, product number, lot number, order date, or any other method of identification, the particular vinyl-laminated plywood panels installed in each of the products manufactured by it and identified in Schedule A?

A The only way we can identify them is by the list of serial numbers, which has been furnished, and the charts that tell us which unit this problem occurred.



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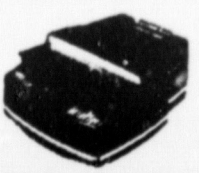
Q 9. If the answer to Question 8 is yes, describe the records of your company enabling it to identify the panels installed in each of the said products, and describe the available methods of identification of said panels.

A The only way you can identify them is the interior is peeling off; and here again, we're referring to this list of serial numbers as has been furnished prior. That would be the only way we could tell.

Q 10. If the answer to Question 8 is yes, identify as fully as possible by the methods of identification described in response to Question 9 the particular vinyl-laminated plywood panels installed in each of the products manufactured by your company and identified in Schedule A.

A I don't quite understand that question. That still refers back to the same answer, back to that schedule, I believe. And the same answer to No. 9. To me, the question prior and this question--Question 9 and 10--all had the same answer. It refers back to that list of serial numbers that I furnished in Schedule A, is the only way we have of identifying them.

Q 11. If your answer to Question 8 is no, explain why your company cannot identify by type, color, product number, lot number, order date, or any other method of identification, the particular vinyl-laminated plywood panels installed in each of the products manufactured by your company



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and identified in Schedule A.

A We have answered those questions prior. We have answered all those questions by invoice and serial number and purchase date, by records hereby given to you.

Q 12. Did your company experience any delamination of the vinyl-laminated plywood panels installed in the products manufactured by it and identified in Schedule A?

A Yes.

Q 13. Did your company receive complaints from customers with respect to delamination of the vinyl-laminated plywood panels installed in the products manufactured by it and identified in Schedule A?

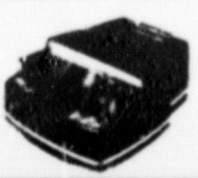
A Yes.

Q 14. If the answer to Question 12 or Question 13 is yes, did your company communicate with the seller of the vinyl-laminated plywood panels with respect to the delamination?

A Yes. We got in touch with U. S. Plywood.

Q 15. If the answer to Question 14 is yes, state the date of and describe the substance of each such communication between your company and the seller of the vinyl-laminated plywood panels with respect to the delamination.

A At the time the vinyl peeling occurred, we contacted U. S. Plywood. I don't remember the exact name of the individual at that time. And we stated the problem, what had occurred, and some plywood was returned at that time.



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Q 16. If the answer to Question 12 or Question 13 is yes, were any of the products manufactured by your company and identified in Schedule A manufactured after your company first experienced such delamination and/or received complaints from customers with respect to such delamination?

A Yes. There was some manufactured afterwards. And there was also, again, some of the paneling sent back.

Q 17. If the answer to Question 16 is yes, describe the circumstances surrounding your company's continued manufacture of these products after experiencing such delamination and/or receiving complaints from customers with respect to such delamination.

A It seems like that after all the complaints were put in, that we notified U. S. Plywood we was having the problems; and I understand that they contacted the manufacturer of the materials; and, consequently, because of all the conversation that went about, they then purchased from another manufacturing source, which was Lebanon Plywood--that's a subsidiary of U. S. Plywood, I believe--and the panels was then purchased from then on from this other company.

_____
Witness

-oOo-

RONALD F. HUBBARD
524-5179

State of Utah)
) ss
County of Salt Lake)

This is to certify that the witness appeared before me and read the foregoing deposition; and if and where there are any changes or corrections made, they are made in ink and initialed by the witness.

Subscribed and sworn to before me this _____day of _____, 1973.

_____
Notary Public

My commission expires

_____



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State of Utah)
) ss
County of Salt Lake)

C E R T I F I C A T E

I, Ronald F. Hubbard, notary public in and for the State of Utah, do hereby certify that pursuant to attached notices and stipulation, Ralph H. Lang appeared before me at 845 South Main, Nephi, Utah, on July 31, 1973, at 3:30 o'clock p.m.

That the said witness was duly sworn by me as notary public before examination to testify to the truth, the whole truth, and nothing but the truth in said cause.

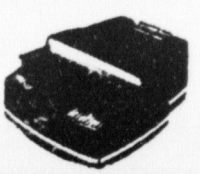
That the testimony of the said witness was reported by me in shorthand and thereafter under my direction transcribed into typewriting, and that a true, full, and correct transcript of said testimony so taken and transcribed is set forth in the foregoing pages, numbered from 1 to 10, inclusive.

I further certify that I am not of kin, nor am I in any manner associated with any parties to the action or their counsel and that I am not interested in the event thereof.

IN WITNESS WHEREOF, I have signed this certificate and affixed my notarial seal this 6th day of November, 1973.

Ronald F. Hubbard
Notary Public

My commission expires
August 25, 1977



RONALD F. HUBBARD
524-5179

Schedule A Annexed to Deposition Upon Written Questions of Rancho Trailers, Inc.

(Pages JA430 to JA432)

SCHEDULE "A"

JA 430

Unit Number
or
Other Available Number
of
Product Manufactured
by

RANCHO TRAILER MFG. CO.

13-2308-697
105RD2325-69TC
13-2309-70
8CS 2283-69
8C-2327-69

2014-69

175S
S#2088-69-TC

105-2036-69

2337-69-20S

105RD2307 69

185-9-2335-70

155-2324 69

155-2400-70

85RD-2378-70

175S2269-69

155-23406-69

22S2408-70

20S-2332-69

105RD2206-70

8 2330-71

105RD2213-69TC

115RD2377-70TC

185-21-83-69TS

22S2458-70
115RD1909-70
85RD2385-70
175S-2355-69TC
225-2488-70
20S-2180-69
105RD2165-69TC
185-S2384-70
8CS-2421-70

8CS1906
175S2065-69
155S 2393-70

2388-70
1552494
1852196
20 2399
105 1918
115 1674

155S-2410-70

20S-2369-70

8C-1905-70

105RD2325-69
1907-1
175-S-2398-70

155-2360-69T

8C2204-70
175 2396-70

185S2685-70

8S 2117-70
175-2233-69

155-2249-69
22-2391-70
85-2379-70
155-2082-69

115RD2536-70
8CS1855-69

105-1910-69
105 2455-70
155 2372-70
175-2073-69
20-2446-70
115RD-2496-70
20-21-81-69
155-2394-70
115S-2452-70

15C-2464-70

105-2474-70

155-2538-70
105-2208-70
115-2453-70
15C-2315-69TS

22S-2539-70
175-2641-70

115-2536-70
115-2929-70
8-2862-70

172534-70
13-2537-70
85-2510-70
115-1373
85-2475-70

115-2450
20-2447

16CS-2550-70
20S-2348-69TS

8CS-2471-70
2390-70
2113-69TS

175-2358-69
105-2528-70
155-2542-70
105-2214-70
15C-956-68-TS

175-2284
115-2465

8C-2426-70
15C-2166-69
16C-2473-70TS
115RD-2184-69TC
185-2228
20-2370-70

115-2302-69
105-2152-69

20S-2276-69

185-2371-70TS
155-2291-69
20-2141-69

22S-2361-69TS

155-2313-69

115-2320
115S-245-70
175-2164-69
25-2413-70
105-2005-70
185-2463

8CS 2187-69

1798-69TC

13-2192-69

155-2029-69

20-2033-69

155-2246-69

185-2409-20

175-2467-70

155-2253-69

20-2416-70

6-2188-69

8-2268-69
85-2339-69
25-2459-70

205-2132-69

155-2483-70

Schedule "A"

Page 3

155-2486-70

175-2404-70

175-2267-69

155-2549-70

155-2126-69

13-2128-69

8CS-2173-69

25S-2401-70

155-2121-69

185-2186-70

25-2430-70

185-2243-69

6-2225-69

175-2278-69

20-2367-70

13-2224-69

20-2353-69

155-2395-70

C12-0167

155-2219
155-2120
155S-2264
155S-2462

13-2381-70

20S-2338-69

155-2123-69

115RD 2061-70

20-2194-69
85-2694-70
20-2304-69

2256-69

71-2403-155

155-S2334-69

85S-2402-70

154-22280-69

2356-69

22-2514-70, 175S-2366-69
13-238-70

115-2362

004-71

20-2001
20-2002
115-2023

185S-2167
85-2006
20-2168

115-2223
115-2234

8S-2108-69

175-2275-69

22-2433
155-2226

155-2259
20-2257-69
22-047-71

85-1934-69
175-2138-69

155-2451-70
155-2241-69

175-2352-71
7-3190-71
7-12777-71

22S-2412-70

8-2148-69

25243070 (Ser. #)

EXHIBIT

Deposition Upon Written Questions of Riviera Manufacturing Co., Inc.

(Pages JA434 to JA443)

COPY

JA 434

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

- X

CHAMPION INTERNATIONAL CORPORATION, :

Plaintiff, : 70 Civ. 5277

- against - : ANSWERS TO INTERROGATORIES AND CROSS INTERROGATORIES

CONTINENTAL CASUALTY COMPANY, :

Defendant. :

- X

ANSWERS TO INTERROGATORIES AND CROSS INTERROGATORIES given by Ralph G. Tilley, an officer of RIVIERA MANUFACTURING CO., a witness produced, sworn and examined on behalf of the above-names plaintiff on the 20th day of July, 1973, under and by virtue of the annexed commission issued out of the Southern District of New York, United Stated District Court, said commission having attached thereto the annexed Interrogatories and Cross Interrogatories, in a certain cause therein pending and at issue between CHAMPION INTERNATIONAL CORPORATION, plaintiff, and CONTINENTAL CASUALTY COMPANY, defendant.

APPEARANCES:

For U.S. Plywood: MESSRS. GEORGE ERICKSON and JOHN KELL
490 Osage Street
Denver, Colorado

PROCEEDINGS JA 435

RALPH G. TILLEY

a witness, and officer of RIVIERA MANUFACTURING CO., produced and duly sworn, upon being examined on behalf of the plaintiff, doth depose and say as follows:

DIRECT INTERROGATORIES

TO THE FIRST DIRECT INTERROGATORY HE SAITH:

Answer to Question No. 1 is my name is Ralph Tilley. 6899 East 49th Avenue, Commerce City, Colorado. I am the owner and President of Riviera Manufacturing Company, Incorporated. That also answers Question No. 2, I believe.

TO THE THIRD DIRECT INTERROGATORY HE SAITH:

The answer to Question No. 3 is yes. We did manufacture the products in Schedule "A".

TO THE FIFTH DIRECT INTERROGATORY HE SAITH:

As I understand Question No. 5 correctly, there is a word "manufacturing process" including the installation. If I understand that correctly, that means the applying the full panel to our product. So I would say it did include the installation of the vinyl-laminated plywood panels. I might state for the record, we used this type material exclusively at that period of time.

Could we go off the record and let me check

JA 436

some dates to answer Question No. 6.

(WHEREUPON, there was an interruption after which the following further proceedings were had:)

This is the answer to Question No. 6 now. The answer to Question No. 6 is yes. So in answering Question No. 6, Question No. 7 it states here, "to provide a list of numbers," which I have examined this Schedule "A", and that is the list of numbers that we're speaking of here.

None of the units on Schedule "A" were manufactured prior to November 30, 1967, or subsequent to February the 1st of '71.

TO THE EIGHTH DIRECT INTERROGATORY HE SAITH:

The answer to Question No. 8 would be yes. And it would be the same answer as I gave you in Question No. 7. For the record, I might state that the line of questions are a little confusing here. However, Question 8 would be answered no in this case. That the units mentioned in Schedule "A" were not manufactured or completed prior to November the 3rd of '67, or subsequent to February 1 of '71.

TO THE NINTH DIRECT INTERROGATORY HE SAITH:

We skip nine.

TO THE TENTH DIRECT INTERROGATORY HE SAITH:

The answer to Question No. 10 is: I purchased this material through U. S. Plywood Corporation in Denver, Colorado.

TO THE ELEVENTH DIRECT INTERROGATORY HE SAITH:

The answer to Question No. 11 is this plywood was in bundles of. I believe. 200 panels per bundle, or 100 panels per bundle. One hundred panels per bundle, but they were bundled up on delivery to Riviera U.S. Plywood.

In completing the answer to Question No. 11, as I stated, this plywood was in bundles when it was delivered to me, but as far as the markings or identification numbers, I'm not certain, and I don't recall if there was any particular markings as to what the panels were, or color. These were invoiced to me from U. S. Plywood, and I believe they used the name of the panel possibly, but --

TO THE TWELFTH DIRECT INTERROGATORY HE SAITH:

The answer to Question 12, referring to the serial numbers on Schedule "A", the oldest number on that list was Serial Number 2440, and my records show it was invoiced May the 28th, 1968, and the highest number on that list, or the newest number code, would be Serial Number 3478, which my records and invoice numbers show it was invoiced to the dealer January 27, 1970. Does that one answer Question 12?

I believe I would, wouldn't it?

CROSS INTERROGATORIES

TO THE FIRST CROSS INTERROGATORY HE SAITH:

The answer to Question 1, possibly down through and including Question 10, would be that we ordered plywood as we needed it from the U. S. Plywood in which they delivered maybe two or three times a week, and sometimes once a week. There was a number of purchases made during this period of time, but I have no record without digging back into the old files, and I'm not sure if we kept our files more than five years. But at this particular time, I would have to answer I do not have these files to show the date of purchases and when we ordered this plywood.

I forget the name of it, but we ordered it by name, and the name to us represented the proper color that we wanted to use, and that's about as far as I can answer those questions.

Six I would if I could locate them in the file, I would be willing to supply a list of them.

TO THE ELEVENTH CROSS INTERROGATORY HE SAITH:

The answer to Question 11 would be that until I determine if we still had in our files the invoices and purchase orders and ordering this plywood, I couldn't answer Question 11 other than no.

TO THE TWELFTH CROSS INTERROGATORY HE SAITH:

Question 12 would be yes, we did experience delamination of the vinyl plywood panels. In Schedule "A" as referred to.

TO THE THIRTEENTH CROSS INTERROGATORY HE SAITH:

Question 13 would be yes, we did receive complaints from our customers as results of delamination of the vinyl plywood panels.

TO THE FOURTEENTH CROSS INTERROGATORY HE SAITH:

The answer to fourteen would be yes, we did communicate with the seller the vinyl-laminated plywood panels with respect to the delamination.

TO THE FIFTEENTH CROSS INTERROGATORY HE SAITH:

The answer to Question 15 would be the date that we communicated with the seller of the vinyl-plywood panels would be within the frame of time subsequent to February 1, 1971, and prior -- over the period of -- November 30, approximately '67. Somewhere between this period of time is when I had the discussions with them. That's when I had communications with the seller of the vinyl plywood panels.

TO THE SIXTEENTH CROSS INTERROGATORY HE SAITH:

The answer to Question 16, it took several months before

any delamination was noticed, so consequently, it seems to me that it might have been a year or two time lapse in this period, but when we noticed that the delamination was getting out of hand, we quit using this particular product. And I might state for the record, in answering seventeen also, that when we first noticed this delamination, it was in the form of doors peeling. Maybe three or four doors, and sometimes the full set which we replaced at our cost.

This went on for two or three months, and it continually got worse, and then the same coaches which we attempted to repair or replace certain panels, doors, it was noticed that the panel, the full panel in the ceilings and walls started delaminating or peeling off. So this is when we really got into hot water with our customers or our dealers. I need also to say it had very bad effects on our company as a result of this.

I believe that's all the questions.

(WHEREUPON, the witness was excused at the hour of 10:55 o'clock a.m.)

I, RALPH G. TILLEY, do hereby certify that I have read the foregoing deposition, that the above and foregoing transcript is a true and correct record of my testimony.

_____
RALPH G. TILLEY

Subscribed and sworn to before me this_____day of_____, 1973.

My Commission expires_____.

_____
Notary Public

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

I, Suzanne M. Claar, the person designated in the annexed Notice of Taking of Deposition of Riviera Manufacturing Company issued out of the Southern District of New York, U. S. District Court on the 11th day of July, 1973, to take the testimony of RALPH G. TILLEY by Answers to Written Questions and Answers to Cross Questions, do hereby certify:

1. That RALPH G. TILLEY, the above-named witness, personally appeared before me at 10:00 a.m. in the forenoon of the 20th day of July, 1973, at the offices of Riviera Manufacturing Company, No. 6899 East 49th Avenue, City of Commerce City, County of Adams County, State of Colorado; that at said time and place said RALPH G. TILLEY was by me duly sworn to testify the truth, the whole truth and nothing but the truth, in the within entitled action; that the deposition of said witness was duly taken; that the foregoing pages 1 to 7 to which this certificate is attached is a true record of the testimony of said witness and of all questions and answers required to be inserted therein;

2. That the signature of said witness to his Answers to Written Questions and Cross Questions is genuine;

3. That no appearances appeared in behalf of either

the plaintiff and the defendant; and

4. That I am not related within the sixth degree of consanguinity to any of the parties hereto; that I am not related within the same degree to or an agent, employee, or attorney or counsel of any of the parties; that I have no office connection or business employment with such attroney or counsel; and that I am not financially interested in the event of the said action.

IN WITNESS WHEREOF, I have hereunto set my hand at the City and County of Denver, State of Colorado, this the 3rd day of September, 1973.

/s/ suzanne m. claar
Suzanne M. Claar
Certified Shorthand Reporter
and Notary Public

Schedule A Annexed to Deposition Upon Written Questions of Riviera Manufacturing Co., Inc.

(Page JA445)

SCHEDULE "A"

Unit Number
of
Product Manufactured
by

RIVIERA MANUFACTURING CO.

3154
3148
3144
3141
3194

3170
3444
3173
3142
3226

3128
3133
3142
3183
3268

3196
3167
3192
3130
3195

3133
3168
3152
3129
3149

3226

3228
3195
3152
3153
3194

3141
3175
3230
3160
3150
3151

3219

3220

3254

3122

3240

3118

3086

3242

3244

3265

3145

3146

3128

3045

3239

3272

3273

3274

3129

3478

3166

3151
3160

3152

3117
3134
3173

3196
3151
3160

3188

3196

3141

3187

3218

3183

3110

3241

3225

3189

3173

3201

3132

3133

3167

2440

3226

3194

3064

3139

3209

3561

EXHIBIT

Umbrella Excess Third-Party Liability Policy Issued by Continental Casualty Company to U.S. Plywood-Champion Papers, Inc.

(Pages JA447 to JA489)

CONTINENTAL CASUALTY COMPANY

Chicago, Illinois

INCORPORATED BY THE STATE OF ILLINOIS AS A STOCK COMPANY
HEREINAFTER CALLED THE COMPANY

UMBRELLA EXCESS THIRD PARTY LIABILITY POLICY

DECLARATIONS Policy No. RDU 9307004

Item 1. Named Insured: U. S. Plywood- Champion Papers Inc.

P. O. Address: Knights bridge, Hamilton, Ohio

Item 2. Policy Period: From November 30, 1967 To November 30, 1970
(12:01 A.M. Standard Time at the address of the Insured stated above)

Item 3. Limit of Liability: The limit of the Company's liability shall be as stated herein subject to all the terms of this policy having reference thereto

(A) $1,000,000. Single Limit any one occurrence combined Personal Injury and/or Property Damage and/or Advertising Liability

in excess of

(1) the amount recoverable under the underlying insurance as set out in the attached schedule

or

(2) $ 25,000. ultimate net loss in respect of each occurrence not covered by said underlying insurance.

(B) $ 1,000,000. in the aggregate for each annual period in accordance with Insuring Agreement 2 (c)

Item 4. Premium Computation:

Premium Basis	Estimated Exposure	Rate	Estimated Premium
Per $1,000 of Gross sales	To be determined at audit	.022	$75,000.

Deposit Premium $ 75,000. Minimum Premium $ 75,000. Audit Period annual

Date of Issue 11/22/67 Countersigned by

Licensed Resident Agent

P1-4.0102-A

CONTINENTAL CASUALTY COMPANY

Chicago, Illinois

INCORPORATED BY THE STATE OF ILLINOIS AS A STOCK COMPANY
HEREINAFTER CALLED THE COMPANY

Agrees with the Named Insured specified in the Declarations, made a part hereof, subject to the limitations, terms and conditions hereinafter mentioned:

INSURING AGREEMENTS

1. Coverage

To indemnify the Insured for all sums which the Insured shall be obligated to pay by reason of the liability,

(a) imposed upon the Insured by law,

or

(b) assumed by the Insured under contract or agreement but only in respect of operations by or on behalf of the Named Insured,

for damages, direct or consequential, and expenses, all as defined by the term "ultimate net loss" on account of,

Personal Injuries, including death at any time resulting therefrom; or

Property Damage; or

Advertising Liability,

caused by or arising out of each occurrence.

2. Limit of Liability

(a) The Company shall only be liable for the ultimate net loss in excess of either,

(1) the amount recoverable under underlying insurance as set out in the attached schedule,

or

(2) the amount stated in Item 3(A) (2) of the policy declarations, ultimate net loss in respect of each occurrence not covered by said underlying insurance,

hereinafter called the underlying limits,
and then only up to an amount not exceeding the Company's limit of liability, stated in Item 3 (A) of the Declarations, as a result of any one occurrence.

(b) In the event of reduction or exhaustion of the aggregate limits of liability under said underlying insurance by reason of losses paid thereunder, this policy shall, subject to the terms and conditions of the underlying insurance,

(1) in the event of reduction, pay the excess of the reduced underlying insurance,

or

(2) in the event of exhaustion, continue in force as underlying insurance.

(c) The Company's total limit of liability shall not exceed the amount stated in Item 3 (B) of the Declarations on account of all occurrences happening during each annual period commencing with the effective or anniversary date of this policy separately with respect to,

(1) payments made hereunder as losses by reason of the reduction or exhaustion of the aggregate limits of liability under the underlying insurances or,

(2) Products Liability, (if not subject to subsection (c) (1) above) or,

(3) Personal Injuries (fatal or non-fatal) by Occupational Disease sustained by any employee of the Insured (if not subject to subsection (c) (1) above) or,

(4) Occurrences not covered by underlying insurance (if not subject to subsection (c) (1) above)

3. Policy Period - Territory

This policy applies only to occurrences happening during the policy period anywhere in the world.

DEFINITIONS

1. Named Insured and Insured

(a) The words "Named Insured" wherever used in this policy includes, while operating as such, any subsidiary of the Named Insured and any other entity coming under the Named Insured's control over which it assumes active management.

(b) The unqualified word "Insured", wherever used in this policy, includes not only the Named Insured but also,

(1) any partner, executive officer, director, stockholder or employee of the Named Insured, while acting in his capacity as such. The insurance extended by this subdivision with respect to any person or organization other than the Named Insured, shall not apply to any employee with respect to injury to or the death of another employee of the same employer injured in the course of such employment;

(2) any entity included as an additional insured under the policies of underlying insurance, as set out in the attached schedule, but only for such coverage as is afforded to such additional insured under said scheduled underlying insurance.

2. Personal Injuries

The term "Personal Injuries" wherever used herein, shall mean:

Bodily Injury, Mental Injury, Mental Anguish, Shock, Sickness, Occupational Disease, Non-Occupational Disease, Disability, False Arrest, False Imprisonment, Wrongful Eviction, Wrongful Detention, Malicious Prosecution, Discrimination, Humiliation, Invasion of right of privacy, Libel, Slander or Defamation of Character;

except that which arises out of Advertising Liability.

3. Property Damage

The term "Property Damage", wherever used herein, shall mean direct or consequential damage to or destruction of tangible property, including the loss of use thereof.

4. Advertising Liability

The term "Advertising Liability" shall mean:

Libel, Slander, Defamation, Piracy, Invasion of Right of Privacy, Infringement of Copyright or of title or of slogan,

committed or alleged to have been committed in any advertisement, publicity article, broadcast or telecast and arising out of the Named Insured's advertising activities.

5. Products Liability

The term "Products Liability" means:

(a) Liability arising out of goods, products or structures manufactured, sold, handled, distributed or constructed by the Named Insured or by others trading under his name if the occurrence happens after possession of such goods or products has been relinquished to others by the Named Insured or by others trading under his name and if such occurrence happens away from premises owned, rented or controlled by the Named Insured; provided such goods or products shall be deemed to include any

container thereof, other than a vehicle, but shall not include any vending machine or any property other than such container, rented to or located for use of others but not sold;

(b) Liability arising out of operations, including any act or omission in connection with operations performed by or on behalf of the Named Insured on the premises or elsewhere whether or not goods or products are involved in such operations, if the occurrence occurs after such operations have been completed or abandoned and occurs away from premises owned, rented or controlled by the Named Insured; provided operations shall not be deemed incomplete because improperly or defectively performed or because further operations may be required pursuant to an agreement; provided further the following shall not be deemed to be "operations" within the meaning of this paragraph: (i) pick up or delivery, except from or onto a railroad car, (ii) the maintenance of vehicles owned or used by or in behalf of the insured, (iii) the existence of tools, uninstalled equipment and abandoned or unused materials.

6. Occurrence

The term "Occurrence" means an event or continuous or repeated exposure to conditions, which unexpectedly causes Personal Injury and/or Property Damage and/or Advertising Liability during the policy period. All such exposure to substantially the same general conditions existing at or emanating from each premises location shall be deemed one occurrence.

7. Ultimate Net Loss

The term "Ultimate Net Loss" shall mean the total sum which the Insured or any company as his insurer becomes obligated to pay by reason of Personal Injury or Property Damage or Advertising Liability claims, either through adjudication or compromise, and all sums paid for expense, including premiums for attachment or appeal bonds, in respect to litigation, settlement, adjustment and investigation of claims and suits which are paid as a consequence of any occurrence covered hereunder, excluding only the salaries of employees and office expenses of the Insured or of any underlying insurer or any other expenses which are recoverable through any other valid and collectible insurance.

8. Aircraft

The term "Aircraft" shall mean any heavier than air or lighter than air aircraft designed to transport persons or property.

EXCLUSIONS

This policy shall not apply:

(a) to liability for assault and battery committed by or at the direction of the Insured except liability for Personal Injury or death resulting from any act alleged to be assault and battery committed for the purpose of preventing or eliminating danger in the operation of aircraft,

(b) to property damage intentionally caused by or at the direction of the Insured,

(c) to loss of use, destruction of, or damage to property owned by the Insured,

(d) to any obligation for which the Insured or any company as its insurer may be held liable under any Workmen's Compensation, unemployment compensation or disability benefits law provided, however, that this exclusion shall not apply to liability of others assumed by the Named Insured under contract or agreement,

(e) to claims made against the Insured:

(1) for damage to, including repair or replacement of, any defective product/s or structure/s manufactured, sold or supplied or constructed by the Named Insured or any defective part or parts thereof nor for the cost of such repair or replacement;

(2) for the loss of use of any such defective product/s or structure/s or part or parts thereof;

(3) for improper or inadequate performance, design or specification, but nothing herein contained shall be construed to exclude claims made against the Insured for personal injuries or property damage (other than damage to a product of the Insured) resulting from improper or inadequate performance, design or specification.

(f) as respects advertising activities, to claims made against the Insured:

(1) for failure of performance of contract;

(2) for infringement of trade-mark or trade name;

(3) for incorrect description of any article or commodity;

(4) for mistake in advertising price.

(g) I. Under any Liability Coverage, to injury, sickness, disease, death or destruction

(a) with respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(b) resulting from the hazardous properties of nuclear material and with respect to which (1) any person or organization is required

to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

II. Under any Medical Payments Coverage, or under any Supplementary Payments provision relating to immediate medical or surgical relief, to expenses incurred with respect to bodily injury, sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.

III. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if

(a) the nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom;

(b) the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or

(c) the injury, sickness, disease, death, or destruction arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (c) applies only to injury to or destruction of property at such nuclear facility.

IV. As used in this Policy:

"hazardous properties" include radioactive, toxic or explosive properties;

"nuclear material" means source material, special nuclear material or byproduct material;

"source material", "special nuclear material", and "byproduct material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor;

"waste" means any waste material (1) containing byproduct material

and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof;

"nuclear facility" means

(a) any nuclear reactor,

(b) any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste,

(c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,

(d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste,

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

"nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

With respect to injury to or destruction of property, the word "injury" or "destruction" includes all forms of radioactive contamination of property.

(h) to any liability of the Insured directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities, (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

CONDITIONS

1. Premium Computation

The deposit premium stated in the declarations is an advance premium only unless otherwise specified. Upon termination of this policy, the earned premium shall be computed in accordance with the rates and minimum premium applicable to this insurance as stated in the Declarations. If the earned premium thus computed exceeds the advance premium paid, the Named Insured shall pay the excess to the Company; if less, the Company shall return to the Named Insured the unearned portion paid by such Insured. The Named Insured shall maintain records of the

information necessary for premium computation on the basis stated in the Declarations and shall send copies of such records to the Company at the end of the policy period or at such time during the policy period as the Company may direct.

2. Additional Insureds

In the event of additional Named Insureds being added hereunder, in accordance with the provisions of Definition 1 (a), prompt notice shall be given to the Company.

3. Prior Insurance and Non-Cumulation of Liability

It is agreed, that if any loss is also covered in whole or in part under any other excess policy issued to the insured prior to the inception date hereof, the Company's limit of liability as stated in Item 3 of the Declarations shall be reduced by any amounts due to the Insured on account of such loss under such prior insurance.

4. Severability of Interest

In the event of claims being made by reason of Personal Injuries and/or Property Damage and/or Advertising Liability suffered by one Insured herein for which another Insured herein is or may be liable, this policy shall cover such Insured against whom a claim is made or may be made in the same manner as if separate policies had been issued to each Insured herein. Nothing contained herein shall operate to increase the Company's limit of liability as set forth in Insuring Agreement 2.

5. Notice of Occurrence

Whenever the Insured has information from which the Insured may reasonably conclude that an occurrence covered hereunder involved injuries or damages which, in the event that the Insured should be held liable, is likely to involve this Policy, notice shall be sent to the Company as soon as practicable, provided however, that failure to notify the Company of any occurrence which at the time of its happening did not appear to involve this policy, but which at a later date would appear to give rise to claims hereunder, shall not prejudice such claims.

6. Inspection and Audit

The Company shall be permitted at all reasonable times during the policy period to inspect the premises, plants, machinery and equipment used in connection with the Insured's business, trade or work, and to examine the Insured's books and records at any time during the policy period and any extension thereof and within three years after the final termination of this policy, as far as they relate to the premium computation or the subject matter of this insurance.

7. Maintenance of Underlying Insurances

The policy or policies referred to in the attached "Schedule of Underlying Insurances", and renewal or replacements thereof not more restrictive, shall be maintained by the Named Insured without alteration of terms or conditions in

full effect during the currency of this policy except for any reduction of the aggregate limit or limits contained therein solely by payment of claims in respect of occurrences happening during the currency of this policy.

Failure of the Named Insured to comply with the foregoing shall not invalidate this policy but, in the event of such failure, the Company shall only be liable to the same extent had the Named Insured complied with this condition

8. Assistance and Cooperation

The Company shall not be called upon to assume charge of the settlement or defense of any claim made or suit brought or proceedings instituted against the Insured, but the Company shall have the right and shall be given the opportunity to associate with the Insured or the Insured's underlying insurers, or both, in the defense and control of any claim, suit or proceeding relative to an occurrence where the claim or suit involves, or appears reasonably likely to involve, the Company, in which event the Insured, the underlying insurers and the Company shall cooperate in all things in the defense of such claim, suit or proceeding.

9. Appeals

In the event the Insured or the Insured's underlying insurer(s) elects not to appeal a judgment in excess of the underlying limits, the Company may elect to make such appeal at its cost and expense and shall be liable for the taxable costs and disbursements and interest incidental thereto, but in no event shall the liability of the Company for ultimate net loss exceed the amount set forth in Insuring Agreement 2 for any one occurrence and in addition the cost and expense of such appeal.

10. Loss Payable

Liability under this policy with respect to any occurrence shall not attach unless and until the Insured, or the Insured's underlying insurers, shall have paid the amount of underlying limits on account of such occurrence. The Insured shall make a definite claim for any loss for which the Company may be liable under the policy within twelve (12) months after the Insured shall have paid an amount of ultimate net loss in excess of the amount borne by the Insured or after the Insured's liability shall have been fixed and rendered certain either by final judgment against the Insured after actual trial or by written agreement of the Insured, the claimant and the Company. If any subsequent payments shall be made similarly from time to time, such losses shall be due and payable within thirty (30) days after proof of loss has been furnished to the Company in a satisfactory form.

11. Other Insurance

If other collectible insurance with any other insurer is available to the Insured covering a loss also covered hereunder, this insurance shall be in excess of, and shall not contribute with such other insurance. Excess insurance over the limits of liability expressed in this policy is permitted without prejudice to this insurance and the existence of such insurance shall not reduce any liability under this policy.

12. Application of Salvages - Subrogation

All salvages, recoveries or payments recovered or received subsequent to a loss

settlement under this insurance shall be applied as if recovered or received prior to such settlement and all necessary adjustments shall then be made between the Insured and the Company, provided always that nothing in this clause shall be construed to mean that losses under this insurance are not recoverable until the Insured's ultimate net loss has been finally ascertained.

Inasmuch as this policy is "Excess Coverage", the Insured's right of recovery against any person or other entity cannot always be exclusively subrogated to the Company. It is, therefore, understood and agreed that in case of any payment hereunder, the Company shall act in concert with all other interests (including the Insured) concerned, in the exercise of such rights of recovery. The apportioning of any amounts which may be so recovered shall follow the principle that any interests (including the Insured) that shall have paid an amount over and above any payment hereunder, shall first be reimbursed up to the amount paid by them; the Company shall then be reimbursed out of any balance then remaining up to the amount paid hereunder; lastly, the interests (including the Insured) of whom this coverage is in excess are entitled to claim the residue, if any. Expense necessary to the recovery of any such amounts shall be apportioned between the interests (including the Insured) concerned, in the ratio of their respective recoveries as finally settled.

13. Changes

Notice to or knowledge possessed by any person shall not effect a waiver or change in any part of this policy or stop the Company from asserting any rights under the terms of this policy; nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part hereof, signed by an authorized representative of the Company.

14. Assignment

Assignment of interest under this policy shall not bind the Company until its consent is endorsed hereon; if, however, the Named Insured shall be adjudged bankrupt or insolvent, this policy shall cover the Named Insured's legal representative as Named Insured; provided that notice of cancellation addressed to the Insured named in the Declarations and mailed to the address shown in this policy shall be sufficient notice to effect cancellation of this policy.

15. Cancellation

This policy may be cancelled by either of the parties by mailing written notice to the other party stating when, not less than thirty (30) days thereafter, cancellation shall be effective. The mailing of notice as aforesaid by the Company to the Insured at the address shown in the policy shall be sufficient proof of notice and the insurance under this policy shall end on the effective date and hour of cancellation stated in the notice.

Delivery of such written notice whether by the Insured or by the Company shall be equivalent to mailing. If the Company cancels, earned premium shall be computed pro rata. If the Insured cancels, earned premium shall be computed in accordance with the customary short rate table and procedures.

Premium adjustment may be made at the time cancellation is effected and, if not

by then made, shall be made as soon as practicable after cancellation. The Company's check or the check of its representative mailed or delivered as aforesaid shall be sufficient tender of any refund of premium due to the Insured.

If this policy insures more than one Named Insured, cancellation may be effected by the first of such Named Insureds for the account of all the Named Insureds; notice of cancellation by the Company to such first Named Insured shall be deemed to be notice to all Insureds and payment of any unearned premium to such first Named Insured shall be for the account of all interests therein.

16. Bankruptcy and Insolvency

In the event of the bankruptcy or insolvency of the Insured or any entity comprising the Insured, the Company shall not be relieved thereby of the payment of any claims hereunder because of such bankruptcy or insolvency.

IN WITNESS WHEREOF, the CONTINENTAL CASUALTY COMPANY has caused this policy to be signed by its president and secretary, at Chicago, Illinois, but the same shall not be binding upon the company unless countersigned on the declaration page by a duly authorized agent of the company.

Secretary

President

FOR CHAMPION PAPERS INC.

Coverage	Carrier	Limit of Liability
General Liability including Watercraft Liability, Occurrence B.I. Occurrence P.D., Personal Injury, Malpractice	Associated Indemnity Co.	Bodily Injury $100,000. each person $300,000. each accident/occurrence Property Damage $100,000. each accident/Occurrence $100,000. aggregate operations $100,000. aggregate protective $100,000. aggregate contractual
Products Liability	Associated Indemnity Co.	Bodily Injury $100,000. each person $300,000. each accident/Occurrence $300,000. aggregate products Property Damage $100,000. each accident/occurrence $100,000. aggregate products
Automobile Liability	Associated Indemnity Co.	Bodily Injury $100,000. each person $300,000. each accident/occurrence Property Damage $100,000. each accident/occurrence
Aircraft Liability	Associated Indemnity Co.	$10,000,000. Combines single limit Bodily Injury and/or Property Damage Liability
Employers' Liability & Occupational Disease	Associated Indemnity Co.	$25,000.
Workmen's Compensation and Employers' Liability & Occupational Disease-- North Carolina	I.N.A.	$1,000,000. excess of $25,000 self-insured retention.

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO. 1 page 1	POLICY NO. RD 9307004	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by W. David Miller
Licensed Resident Agent

Blank Endorsement

Workmen's Compensation and Employers' Liability & Occupational Disease-- Ohio	Employers' Liability Assurance Corporation	$1,000,000 excess of $50,000. self-insured retention
Automobile Liability (Massachusetts)	Associated Indemnity Co.	B.I. $100/300,000. P. D. $100,000.

Carpenter Paper Company Division of Nationwide Paper Inc.

Comprehensive General Liability	T I.E.	B.I. $100/300/300,000. P.D. $100/100,000.
Automobile Liability	T.I.E.	B.I. $100/300,000. P.D. $100,000.
Employers' Liability	T.I.E.	25,000.

Named Insureds

Champion Papers, Inc.
Nationwide Papers Incorporated
Buffalo Envelope Company, Inc.
Sample-Durick Co., Inc.
RAP Industries, Inc.

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*
END. NO. 1	POLICY NO.	ISSUED TO
Page 2	PD9207904	EFFECTIVE DATE OF THIS ENDORSEMENT

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by _____
Licensed Resident Agent

(Combined) JA 461

Champion Papers, Inc.-- U. S. Plywood
Schedule of Underlying Policies

Coverage	Carrier	Limits of Liability
Host Liquor Liability	Lloyd's	Bodily Injury $100,000. each person $300,000. each occurrence Property Damage $100,000. each occurrence Loss of Means of Support $100,000.

Advertisers' Liability with the Seaboard Surety Co. for limits of:

$300,000. ultimate net loss for any one advertisement publicity article or broadcast or any combination thereof involving the same injurious material or act regardless of the frequency of repetition thereof or the number or kind of media used, when the claim is made by one or more persons.

Employers Benefit Lia.	St. Paul Fire and Marine	$250,000. $750,000.	each claim aggregate

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO. Page 3 #1	POLICY NO. RD 9397904	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by _____
Licensed Resident Agent

Blank Endorsement
G-274G1-F

U. S. Plywood

SCHEDULE OF UNDERLYING POLICIES

JA 462

(a) Comprehensive General Liability with the Liberty Mutual Insurance Co. for limits of:

Personal Injury	100,000.	ultimate net loss in respect of each person
	200,000.	ultimate net loss in respect of each occurrence
	200,000.	ultimate net loss in the aggregate in any one policy year in respect of products liability.
Property Damage	100,000.	ultimate net loss in respect of each occurrence (it is understood that in respect of products Liability the foregoing is subject to a $5,000 deductible)
	200,000.	ultimate net loss in the aggregate in any one policy year in respect of operations, products, contractual and protective liability.

(b) Automobile Liability (including as regards any vehicle leased to an Assured hereunder, automobile liability insurance issued in the name of the owner of such vehicle) with the Liberty Mutual Insurance Company for minium limits of:

Bodily Injury	100,000.	ultimate net loss in respect of each person
	200,000.	ultimate net loss in respect of each occurrence
Property Damage	100,000.	ultimate net loss in respect of each accident

(c) Aviation Liability Policies including Passenger Legal Liability, Non-Owned and Hired Liability where applicable with the Liberty Mutual Insurance Co. and/or Underwriters at Lloyd's and/or Insurance Companies.

Combined Single Limit
Bodily Injury and Property Damage combined-- $10,000,000.

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO. Page 4	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
#1	RD9307904		

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by _____ Licensed Resident Agent

(e) Employers' Liability with the Liberty Mutual Insurance Co. for limits of:--

(I) Employers' Liability-- Washington
Limits: $250,000 any one employee
$500,000 any one accident and in the aggregate

JA 463

(II) Employers' Liability-- Elsewhere
Limits: $100,000 single limit any one employee or accident
$100,000 in the aggregate in any one State or Province

(III) Federal Employers' Liability
Limits: $500,000 any one employee
$500,000 any one accident and in the aggregate.

(f) Comprehensive General and Non-Owned Automobile Liability with the Commercial Insurance Company of Newark, New Jersey (Per American International Underwriters for limits of:--

Amdelsa-!

Bodily Injuries $100,000 each person
$200,000 each occurrence

Property Damage $100,000 each accident as regards automobile coverage
$200,000 each occurrence as regards comprehensive general liability coverage.

(g) General Liability with the Hartford Accident & Indemity (Re-Lawrence Square Apartments) for limits of:--

Bodily Injury $1,000,000 each person
$1,000,000 each accident and aggregate products

Property Damage $ 100,000 each accident and aggregate in respect of those hazards insured with an aggregate limit.

(h) Automobile Liability with the Hartford Accident & Indemnity Company (Re-Lawrence Square Apartments) for limits of:--

Bodily Injury $250,000 each person
$500,000 each accident

Property Damage $ 50,000 each accident

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed	
ENDT. NO.	POLICY NO.
#1 Page 5	RD0397904

Complete Only When The Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy

ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by _____
Licensed Resident Agent

Blank Endorsement

in respect of McCloud River Railroad Company, McCloud River Trucking Company, Barbero Truck Lines and M.T.S., Inc. with the Liberty Mutual Insurance Company

Limit: $500,000

(j) Re McCloud Community Recreational Council.

Comprehensive General Liability and Automobile Insurance with the Liberty Mutual Insurance Company

Limits:

Bodily Injury	$50,000	any one person
	$50,000	any one accident
Property Damage	$50,000	any one accident and in the aggregate where applicable.

The Flecto Company.

(k) In respect of Oakland Warehouse, California, including R. E. Flatow & Co., Inc. as an Assured, comprehensive general liability with the Liberty Mutual Insurance Company for limits of:

Personal Injury	$1,000,000	ultimate net loss in respect of each person
	$1,000,000	ultimate net loss in respect of each occurrence and in the aggregate where applicable.
Property Damage	$1,000,000	ultimate net loss in respect of each occurrence and in the aggregate where applicable.

(l) In respect of the joint venture with Koko Head Land Company, General Liability with Pacific Insurance Company, limited

Limit: $200,000

(M) In respect of the joint venture with Weisel Construction Co. Inc.

General and Automobile Liability with the Industrial Indemnity Company

Bodily Injury	$250,000	each person
	$500,000	each occurrence
Property Damage	$100,000	each occurrence
	$100,000	annual aggregate in respect of those hazards

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO. Page 6 #1	POLICY NO. RD 9327904	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by _____
Licensed Resident Agent

Blank Endorsement

(n) Re, the California Division including the McCloud Operation, the McCloud River Trucking Company, Barbero Truck Lines, a corporation, N.T.S., Inc., and the McCloud River Railroad Company excluding

JA 465

1. Branch warehouses
2. Weldwood Structures Division

Compensation, Employers Liability and Federal Employers Liability with the Employers Surplus Lines Insurance Company.

Limit: $500,000 excess of $25,000

(o) Re Weldwood International Corporation-- Italian Operation

Comprehensive General Liability and Non-Owned Automobile Liability with the American International Underwriters for limits of

Bodily Injury	$100,000 $200,000	any one person any one occurrence and in the aggregate where applicable.
Property Damage	$100,000	any one occurrence and in the aggregate where applicable.

(p) Re: Productora Colombiana De Maderas Limitada

Non-ownership automobile insurance with American Foreign Insurance Association for limits of:

Bodily Injury	$100,000 $200,000	any one person any one accident
Property damage	$100,000	any one accident

(q) In respect of Calabar Veneer & Plywood Limited:

Public Liability Insurance with the New Africa Insurance Company, Limited

Limit 50,000 pounds

Motorcycle, commercial vehicle and private car policies with the New Africa Insurance Company, Limited.

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO. Page 7 #1	POLICY NO. RD 9397904	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by _____
Licensed Resident Agent

Limits: 10,000 pounds Property Damage

(r) In respect of the joint venture with Momilani Land Company, General liability with the Pacific Insurance Company, Limited

Limit $200,000

(s) In respect of Maranaw Timber Industries, Inc.:

Comprehensive General Liability, excluding products, but including automobile with A.I.U.

Limits:

Bodily Injury	$100,000	each person
	$200,000	each occurrence

Property Damage (excluding auto)
$200,000 each occurrence and in the aggregate

Automobile Property Damage $100,000 each occurrence

(t) In respect of Weldwood International Corporation-- Japan:

General Liability including non-owned auto liability with the Commercial Insurance Company of Newark:

Limits:

Bodily Injury	$100,000	each person
	$200,000	each accident and in the aggregate where applicable
Property Damage	$100,000	any one accident and in the aggregate where applicable.

(u) In respect of a joint venture between Lewers & Cooke, Inc. and Kaiser Hawaii-Kai Development Co., DBA Lunalilo Development Company:

Combined Comprehensive General Liability and Automobile Liability with the First Insurance Company of Hawaii Ltd.

Limits:

Bodily Injury	$100,000	each person
	$200,000	each accident

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy	
ENDT. NO. Page 6 #1	POLICY NO. RD0327904	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by _____
Licensed Resident Agent

Blank Endorsement

Automobile Property Damage	$100,000	each accident
Non-Automobile Property Damage	$100,000	each accident and in the aggregate where applicable

(V) In respect of the joint venture with Setter GMBH

Personal Injury and Property Damage Liability

P.I. $250,000 (Single Limit)
P.D 25,000

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO.	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
1 Page 9	RD 9307904		

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by W. David Allen
Licensed Resident Agent

Blank Endorsement
G 22461-5

It is further agreed that the policy form is amended in the following respects:

1. Definition 3, Property Damage, is deleted in total and the following substituted therefor:

"3. PROPERTY DAMAGE

The term 'property damage', wherever used herein, shall mean direct or consequential injury to or destruction of property, including the loss of use thereof:

2. Definition 6, occurrence, is deleted in total and the following substituted therefor:

"6. OCCURRENCE

The term 'occurrence' means with respect to personal injury, advertising liability and physical injury to or destruction of tangible property, including loss of use thereof, an event or continuous or repeated exposure to conditions which unexpectedly causes personal injury and/or advertising liability and/or physical injury to or physical destruction of tangible property, including the loss of use thereof, during the policy period. All such exposure to substantially the same general conditions existing at or emanating from each premises location shall be deemed one occurrence.

The term 'Occurrence' with respect to property damage (other than physical injury to or physical destruction of tangible property, including the loss of use thereof,) an accident.

3. Exclusion (d) is deleted from this policy.

All other provisions in the policy form remain unchanged.

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO.	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
2	RD 9207904		

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by _____
Licensed Representative

In consideration of the premium charged, it is understood and agreed the following sentence is added to Condition 5, notice of Occurrence--

Notice of the incident must be made to an officer before the Insured has the obligation of reporting to the insurance company.

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO.	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
#3	RD939790[illegible]		

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by W. David Collins

Licensed Resident Agent

ONLY COPY AVAILABLE

EMPLOYEE BENEFITS ENDORSEMENT

JA 470

In consideration of the premium charged, it is understood and agreed that such insurance as is afforded under the policy is extended to indemnify the Insured for all sums which the Insured shall become legally obligated to pay as damages with respect to a claim first brought against the Insured after the inception date of this endorsement and before the termination of the policy to which this endorsement is attached, caused by any negligent act, error or omission of the Insured, or any other person for whose acts the Insured is legally liable, in the administration of the insured's Employee Benefit Programs as defined herein.

With respect to the coverage afforded by this endorsement, Insuring Agreement 2, Limit of Liability of the Policy is deleted and replaced by the following: "The limit of the Company's liability for the coverage afforded by this endorsement shall be the ultimate net loss of

$1,000,000. each claim
$1,000,000. aggregate

in excess of scheduled underlying insurance

The limit of liability stated herein as applicable to "each claim" is the total limit of the Company's liability for all damages arising out of the same act, error or omission regardless of the number of claims or claimants. The limit of liability stated as "aggregate" is subject to the above provision respecting each claim, the total limit of the Company's liability for all claims covered hereunder and occurring during each annual period of this coverage."

With respect to the insurance afforded by this endorsement, Definition 1, Named Insured and Insured of the Policy is deleted and replaced by the following: "The term "Insured" shall only mean (1) the Named Insured of the policy, any subsidiary of the Named Insured and any other entity coming under the Named Insured's control over which it assumes active management and (2) any director, Stockholder or employee who is authorized to act in the administration of the Employee Benefit program of those entities in part (1) of this paragraph."

With respect to the insurance otherwise afforded under the terms of this endorsement, the provisions in the policy form limiting coverage to Personal Injury, Property Damage or Advertising Liability do not apply.

This endorsement forms a part of and is for attachment to the following described policy and expires concurrently with said policy.

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO.	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
Page 1	RD 9397904		

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by _____
Licensed Resident Agent

ONLY COPY AVAILABLE

With respect to the insurance afforded by this endorsement, Definition 6, Occurrence of the policy is deleted and replaced by the following: "The term "Occurrence" means any one negligent act, error or omission."

The term "Employee Benefit Programs" shall mean group life insurance, group accident or health insurance, pension plans, employee stock subscription plans, workmen's compensation, unemployment insurance, social security, disability benefits and any similar employee Benefit Programs, provided all Employee Benefit Programs herein b efore described are listed in the attached schedule of Employee Benefit Programs. Should the Insured, during the policy period, institute additional Employee Benefit Programs, coverage will apply, provided the Company is notified of such additional program or programs, within a period of 30 days after the effective date of such program.

The term "administration" shall mean:

(1) Giving counsel to employees with respect to the Employee Benefit Programs

(2) Interpreting the Employee Benefit Programs

(3) Handling of records in connection with the Employee Benefit Programs

(4) Effecting enrollment of employees under the Employee Benefit Programs

provided all such acts of the Insured are authorized by the Named Insured.

Such coverage as is afforded by this endorsement does not apply to any claim arising out of:

(1) Dishonest, fraudulent, criminal or malicious act, libel, slander discrimination or humiliation

(2) Bodily injury to, or sickness, disease, or death, of any person or injury to or destruction of any tangible property, including the loss of use thereof

(3) Failure of performance of contract by any Insurer who insures an Employee Benefit Program or insolvency or inability of any such insurer to perform its obligations

(4) Failure of stock to perform as represented by an Insured

(5) Advice given by an Insured to an employee to participate or not to participate in stock subscription plans

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO. Page 2 of 4	POLICY NO. RD9327904	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by _____
Licensed Resident Agent

(6) A negligent act, error or omission of insurance when such negligent act, error or omission is insured under the provisions of the policy form (or any other endorsements) or would have been insured but for the self insured retention or exhaustion of the limit of liability thereunder.

It is agreed that as of the effective date of this endorsement the Insured has no knowledge of or does not foresee any circumstance which will result in a claim or suit under the insurance afforded by this endorsement.

All other terms and conditions of this policy remain unchanged.

ONLY COPY AVAILABLE

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed	
ENDT. NO. Page 3	POLICY NO. RDD307004

Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy

ISSUED TO

EFFECTIVE DATE OF THIS ENDORSEMENT

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by

Licensed Resident Agent

Block Endorsement

In consideration of the premium charged, it is agreed that the following is an additional named insured:

W. W. Holdings Ltd. and/or West Tree Farms Ltd. - 50% owned by Weldwood of Canada and by Scott Paper Company

Schedule of Underlying Insurance

Coverage	Carrier	Limit of Liability
Comprehensive General Liability	Federal Ins.	$250,000. Combined Single Limit Bodily Injury and/or Property Damage

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO.	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
5	RD 9397904	U. S. Plywood- Champion Papers Inc.	

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by _____
Licensed Resident Agent

Blank Endorsement
G-33461-E

In consideration of the premium charged, it is agreed that the Schedule of Underlying Policies is amended to read as follows:

FOR CHAMPION PAPERS INC.

Coverage	Carrier	Limit of Liability
Employers' Liability & Occupational Disease	Associated Indemnity Co.	$100,000

It is further agreed that the Schedule of Underlying Insurance as respects Carpenter Paper Company Division of Nationwide Paper Inc. on Endorsement #1 page 2 is deleted, such coverage now being included under Associated Indemnity Co. policies for Champion Papers, Inc. as schedule on endorsement #1 page 1.

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO.	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
6	RD 9397904	U. S. Plywood-- Champion Papers Inc.	1/1/68

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by _____ Licensed Resident Agent

It is understood and agreed that the following is added to the Schedule of Underlying Insurance for U. S. Plywood

(w) In respect of the joint ventures described below,

General Liability with the I.N.A.

Combined Single Limit-- $200,000

1) The Agenda (Gemini West)

Policy AOP 124882

2) Barranca Vista

Policy AOP 124872

3) Hale Donala

Policy AOP 124806

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed	
ENDT. NO.	POLICY NO.
#7	RD2307504

Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy

ISSUED TO

U. S. Plywood-- Champion Papers Inc.

EFFECTIVE DATE OF THIS ENDORSEMENT

1/1/68

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by

Licensed Resident Agent

Blank Endorsement
G-33461-F

In consideration of the premium charged, it is agreed the Named Insured includes the following:

U. S. Plywood- Champion Papers Inc.,
as joint venture.

Countersigned by

Licensed Resident Agent

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy	
ENDT. NO.	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
8	RD 9997904	U. S. Plywood- Champion Papers Inc.	3-20-68

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Exp. 11-30-70 gv

IT IS UNDERSTOOD THAT FROM TIME TO TIME U. S. PLYWOOD-CHAMPION PAPERS INC. WILL ENTER INTO VARIOUS JOINT VENTURES AND THAT INFORMATION RELATIVE THERETO MAY NOT BE AVAILABLE UNTIL AFTER THE AGREEMENT HAS BEEN SIGNED.

IT IS AGREED THEREFORE, THAT COVERAGE SHALL AUTOMATICALLY APPLY TO ALL SUCH JOINT VENTURES ENTERED INTO AND PREMIUM DEVELOPED BASED ON SALES AT THE TIME OF ANNUAL AUDIT ADJUSTMENT.

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed	
ENDT. NO.	POLICY NO.
8A	RD9397904

Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy

ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
U.S. PLYWOOD CHAMPION PAPERS, INC.	3-1-68

CNA CONTINENTAL NATIONAL AMERICAN GROUP

EXP. DATE 11-30-70 MC

Countersigned by_____
Licensed Resident Agent

Blank Endorsement

In consideration of the premium charged, it is agreed that Item (V) as listed on Endorsement #1 Page 9, is deleted from the Schedule.

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO.	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
9	RD9327904	U.S. Plywood - Champion Papers, Inc.	11/30/70

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Exp. 11/30/70 tal

Countersigned by_____
Licensed Resident Agent

"In the event of reduction or exhaustion of the aggregate limit or limits designated in the underlying policy or policies solely by payment of losses in respect to accidents or occurrences during the period of such underlying policy or policies, it is hereby understood and agreed that such insurance as is afforded by this policy shall apply in excess of the reduced underlying limit or, if such limit is exhausted, shall apply as underlying insurance, notwithstanding anything to the contrary in the term and conditions of this policy."

All other terms and conditions of this policy remain unchanged.

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO.	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
10	RD9397904	U.S. Plywood - Champion Papers, Inc.	5/10/[illegible]

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Exp. 11/30/70 bal

Countersigned by_____
Licensed Resident Agent

IN CONSIDERATION OF THE PREMIUM CHARGED, IT IS AGREED THAT THE ENTITY OF CHAMPION PAPERS EXPORT CORPORATION HAS BEEN CHANGED TO U.S.P.C. INTERNATIONAL TRADING CORPORATION.

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO.	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
11	RD9307904	U.S. PLYWOOD-CHAMPION PAPERS, INC.	5-15-68

CNA CONTINENTAL NATIONAL AMERICAN GROUP

EXP. DATE 11-30-70 MC

Countersigned by _____
Licensed Resident Agent

In consideration of a return premium of $6,993.36, it is agreed that the Estimated Premium is amended, now, to read as follows:

$63,006.64

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO.	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
12	RD0397904	U. S. Plywood-- Champion Papers Inc.	11/30/67

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by _____
Licensed Resident Agent

In consideration of an additional premium to be determined by audit it is agreed that Item 4 of the Declarations, Named Insured, is to include the following effective March 28, 1968:

Arrow Transportation Company including its subsidiary Bulk Barging, Inc.

Tennessee Valley Sand & Gravel Company including its subsidiary Alamoco, Inc.

It is further understood and agreed that the Schedule of Underlying Insurance is to include the following but only as respects the above:

$5,000,000 Excess Liability Insurance with the Home Insurance Company under Policy H.E.C. 9 54 45 86

In consideration of an increased rate of .80 per $1,000 of gross sales of Arrow Transportation Company, Bulk Barging, Inc., Tennessee Valley Sand & Gravel Company and Alamoco, Inc. the Schedule of Underlying Insurance indicated above is amended as follows effective September 1, 1968:

1. Fireman's Fund Insurance Co. Policy #WRH-1953 and renewals or replacements thereof covering Protection and Indemnity Risks per Ocean Clauses SP23 (Rev. 1/1/56) Amended, including Tower's Liability Risks with limits up to insured Hull value of vessel or $100,000. whichever is greater but excess only of $100,000. each person, $100,000. each occurrence as respects claims by crew or employees under General Maritime Law or Jones Act, excluding always claims under any Workmen's Compensation Act; and Collision Liability excess only of the Insured Hull value of vessel up to $100,000.

2. Fireman's Fund Insurance Co. Policy #WRH-1952 and renewals or replacement thereof covering Collision Liability Risks up to Insured Hull value of vessel.

3. Fireman's Fund Insurance Co. Policy #WRH-1954 and renewals or replacements thereof covering Wharfingers and/or Landing Owner's Liability with a limit of $250,000. each occurrence.

It is hereby understood and agreed that the Limit of Liability indicated in Item 3 of the Declarations is amended to read $500,000. solely as respects Items 1 and 2 indicated above.

Additional Term Deposit Premium Due September 1, 1968 - $8,579.

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO.	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
13	RD 9397904	U. S. Plywood-Champion Papers Inc.	3/28/68

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by _____
Licensed Resident Agent

In consideration of an additional premium to be determined by audit it is agreed that Item 4 of the Declarations, Named Insured, is to include the following effective June 28, 1968:

Moscow, Camden and St. Augustine Railroad.

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed	
ENDT. NO.	POLICY NO.
13A	RD 9397904

Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy	
ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
U. S. Plywood-Champion Papers Inc.	3/28/68

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by _____
Licensed Resident Agent

In consideration of an additional premium to be determined at audit, it is agreed that Item 4 of the Declaration, Named Insured, is to include the following:

Effective 4/23/68

1) Bulkley Dunton, S. A. a Panamanian Corporation
2) Bulkley Dunton . A.B. a Swedish Corporation

Effective 5/1/68

1) Berman Forest Products
New Castle, Wyoming

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO.	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
14	RD 9[illegible]7904	U. S. Plywood-- Champion Papers Inc.	5/1/68

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by _____
Licensed Resident Agent

In consideration of an additional premium of $4,070.00, it is agreed that Item #4 of the Declarations, Named Insured, is to include the following:

Drexel Enterprises, Inc.
Drexel Furniture Company
Heritage Furniture Co.
Southern Desk Company

Schedule of Underlying Insurance for the Drexel Enterprises, Inc., etal.

Coverage	Carrier	Limit of Liability	
			Bodily Injury
General Liability	Liberty Mutual	100,000.	each person
		200,000.	each accident/occurrence
		200,000.	aggregate products
			Property Damage
		100,000.	each accident/occurrence
		200,000.	aggregate operations
		200,000.	aggregate Protectice
		200,000.	aggregate Products
		200,000.	aggregate contractual
			Bodily Injury
Automobile Liability	Liberty Mutual	100,000.	each person
		200,000.	each accident/occurrence
			Property Damage
		100,000.	Each accident/occurrence

It is further agreed that as of the inception date of this policy the following wording of Definition 1 (B) (1) is deleted "shall not apply to any employee with respect to injury to or the death of another Employee of the same employer injured in the course of such employment"

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO.	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
15	RD939?904	U. S. Plywood - Champion Papers Inc.	7/9/68

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Exp. 11/30/70--am

Countersigned by _____
Licensed Resident Agent

Blank Endorsement

In consideration of an Additional Premium Charge to be determined at audit, it is agreed that the Buffalo China Clay Company, a joint venture, is included as an Additional Named Insured.

SCHEDULE OF UNDERLYING INSURANCE

COVERAGE	CARRIER	LIMIT OF LIABILITY
Comprehensive General Liability	Firemen's Fund	B.I. 100/300/300,000 P.D. 100/100,000
Automobile Liability owned & non-owned	Firemen's Fund	B.I. 100/300,000 P.D. 100,000
Employers' Liability	Firemen's Fund	100,000

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO.	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
16	RD 9337904	U.S. Plywood-Champion Papers Inc.	11/30/67

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by_____
Licensed Resident Agent

"It is understood and agreed that in the event of loss for which the assured has coverage under the Underlying Insurance, the excess of which would be recoverable hereunder, except for terms and conditions of this policy which are not consistent with the underlying, then, notwithstanding anything contained herein to the contrary, this policy shall be amended to follow the terms and conditions of the applicable underlying insurance in respect of such loss."

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO.	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
17.	RD 9307904	U.S. Plywood-Champion Papers Inc.	3/1/69

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Exp. 11/30/70 JA

Countersigned by_____
Licensed Resident Agent

Blank Endorsement

JA 488

In consideration of an additional premium of $2338,00 it is agreed that the expiration date of this policy is amended to read as follows:

12-31-70

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed		*Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy*	
ENDT. NO.	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
19	RD 9397904	U. S. Plywood-Champion Papers, Inc.	11-30-70

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by_____
Licensed Resident Agent

JA 489

In consideration of an additional premium of $7,710.00., it is agreed that the expiration date of this policy is hereby amended to read as follows: 2-1-71

This endorsement forms a part of and is for attachment to the following described policy issued by the CONTINENTAL NATIONAL AMERICAN GROUP company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed	
ENDT. NO.	POLICY NO.
#20	RD 9397904

Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy

ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
U. S. Plywood - Champion Papers, Inc.	12-31-70

CNA CONTINENTAL NATIONAL AMERICAN GROUP

Countersigned by _____ Licensed Resident Agent

EXHIBIT

Comprehensive General Liability Policy for Period October 31, 1967 to October 31, 1968 Issued by Liberty Mutual Insurance Company to U.S. Plywood-Champion Papers, Inc.

(Pages JA490a to JA539)

JA 490a

10/31/67 - 10/31/68

DECLARATIONS

LIBERTY MUTUAL INSURANCE COMPANY
Home Office: Boston

COMPREHENSIVE GENERAL LIABILITY POLICY

Policy No.	TD Code	Sales Office	Code	Salesman	Code	N/R	1st Year
LG1- 621-004152-067	93	New York	202	Williams	6407	2	50

Item 1. Named Insured U. S. Plywood-Champion Papers Inc. and as per Endorsement No. 1

Address 777 Third Ave., New York, N.Y. 10017

The named insured is: Individual ☐, Partnership ☐, Corporation ☒, Other ☐ _____

Business of named insured is:

Item 2. Policy Period: From Mo. 10 Day 31 Year 67 to Mo. 10 Day 31 Year 68
12:01 A.M., standard time at the address of the named insured as stated herein.

Audit Basis: At Expiration ☐, Annual ☐, Semi-Annual ☐, Quarterly ☐, Monthly ☒, Flat Charge ☐

Item 3. The insurance afforded is only with respect to such of the following Coverages as are indicated by specific premium charge or charges. The limit of the company's liability against each such Coverage shall be as stated herein, subject to all the terms of this policy having reference thereto.

COVERAGES	LIMITS OF LIABILITY	ADVANCE PREMIUMS (Deposit)
A — BODILY INJURY LIABILITY	$ 100,000 each person $ 200,000 each occurrence $ 200,000 aggregate	$ 31,742.
* B — PROPERTY DAMAGE LIABILITY * As per Endorsement No. 8	$ 100,000 each occurrence $ 200,000 aggregate	$ 47,841.
MINIMUM PREMIUMS: Bodily Injury Liability $; Property Damage Liability $	TOTAL ADVANCE PREMIUM	$ 79,583.

Item 4. Computation of Premiums

Classification and Locations	Code No.	Premium Base	Rates: Bodily Injury Liability	Rates: Property Damage Liability	Advance Premiums: Bodily Injury Liability Code 318	Advance Premiums: Property Damage Liability Code 338
All Operations of the Named Insured	9880		See Extension Schedules			
Texas	9000					

The policy, including all endorsements issued therewith, is hereby countersigned by _____
Authorized Representative

Work Units	Typed	Periodic Payment	Rating Basis	Audit Basis	Home State	Pol. H.G.	Renewal of	Accounting Entry
170	kp 2-15-68		K ☒ NR ☐	8	N.Y.	S- ☐	LG1-066	$ Dividend for Exp. Period

COMPREHENSIVE GENERAL LIABILITY POLICY

JA 491

THIS POLICY IS CLASSIFIED IN DIVIDEND CLASS I
GENERAL CLASS

●

The named insured is hereby notified that by virtue of this policy he is a member of Liberty Mutual Insurance Company and is entitled to vote either in person or by proxy at any and all meetings of said company.

●

The annual meetings are held at its home office, Boston, Massachusetts, on the second Wednesday of April in each year, at eleven o'clock in the morning.



LIBERTY MUTUAL INSURANCE COMPANY

Home Office: Boston

FOR PROMPT INSURANCE SERVICE — CALL YOUR SERVICE OFFICE

ONLY COPY AVAILABLE

(A mutual insurance company, herein called the company)

In consideration of the payment of the premium, in reliance upon the statements in the declarations made a part hereof and subject to all of the terms of this policy, agrees with the **named insured** as follows:

I COVERAGE A—BODILY INJURY LIABILITY
COVERAGE B—PROPERTY DAMAGE LIABILITY

The company will pay on behalf of the **insured** all sums which **the insured** shall become legally obligated to pay as **damages** because of

Coverage A. **bodily injury** or

Coverage B. **property damage**

to which this policy applies, caused by an **occurrence**, and the company shall have the right and duty to defend any suit against the **insured** seeking **damages** on account of such **bodily injury** or **property damage**, even if any of the allegations of the suit are groundless, false or fraudulent, and may make such investigation and settlement of any claim or suit as it deems expedient but the company shall not be obligated to pay any claim or judgment or to defend any suit after the applicable limit of the company's liability has been exhausted by payment of judgments or settlements.

Exclusions

This policy does not apply:

(a) to liability assumed by the **insured** under any contract or agreement except an **incidental contract**; but this exclusion does not apply to a warranty of fitness or quality of the **named insured's products** or a warranty that work performed by or on behalf of the **named insured** will be done in a workmanlike **manner**;

(b) to **bodily injury** or **property damage** arising out of the ownership, maintenance, operation, use, loading or unloading of

(1) any **automobile** or aircraft owned or operated by or rented or loaned to the **named insured**, or

(2) any other **automobile** or aircraft operated by any person in the course of his employment by the **named insured**;

but this exclusion does not apply to the parking of an **automobile** on premises owned by, rented to or controlled by the **named insured** or the ways immediately adjoining, if such **automobile** is not owned by or rented or loaned to the **named insured**;

(c) to **bodily injury** or **property damage** arising out of and in the course of the transportation of **mobile equipment** by an **automobile** owned or operated by or rented or loaned to the **named insured**;

(d) to **bodily injury** or **property damage** arising out of the ownership, maintenance, operation, use, loading or unloading of any watercraft, if the **bodily injury** or **property damage** occurs away from premises owned by, rented to or controlled by the **named insured**; but this exclusion does not apply to **bodily injury** or **property damage** included within the **products hazard** or the **completed operations hazard** or resulting from operations performed for the **named insured** by independent contractors or to liability assumed by the **insured** under an **incidental contract**;

(e) to **bodily injury** or **property damage** due to war, whether or not declared, civil war, insurrection, rebellion or revolution or to any act or condition incident to any of the foregoing, with respect to

(1) liability assumed by the **insured** under an **incidental contract**, or

(2) expenses for first aid under the Supplementary Payments provision;

(f) to **bodily injury** or **property damage** for which the **insured** or his indemnitee may be held liable, as a person or organization engaged in the business of manufacturing, distributing, selling or serving alcoholic beverages or as an owner or lessor of premises used for such purposes, by reason of the selling, serving or giving of any alcoholic beverage

(1) in violation of any statute, ordinance or regulation,

(2) to a minor,

(3) to a person under the influence of alcohol, or

(4) which causes or contributes to the intoxication of any person;

(g) to any obligation for which the **insured** or any carrier as his insurer may be held liable under any workmen's compensation, unemployment compensation or disability benefits law, or under any similar law;

(h) to **bodily injury** to any employee of the **insured** arising out of and in the course of his employment by the **insured**; but this exclusion does not apply to liability assumed by the **insured** under an **incidental contract**;

(i) to **property damage** to

(1) property owned or occupied by or rented to the **insured**,

(2) property used by the **insured**, or

(3) property in the care, custody or control of the **insured** or as to which the **insured** is for any purpose exercising physical control;

but parts (2) and (3) of this exclusion do not apply with respect to liability under a written sidetrack agreement and part (3) of this exclusion does not apply with respect to **property damage** (other than to **elevators**) arising out of the use of an **elevator** at premises owned by, rented to or controlled by the **named insured**;

(j) to **property damage** to premises alienated by the **named insured** arising out of such premises or any part thereof;

(k) to **bodily injury** or **property damage** resulting from the failure of the **named insured's products** or work completed by or for the **named insured** to perform the function or serve the purpose intended by the **named insured**, if such failure is due to a mistake or deficiency in any design, formula, plan, specifications, advertising material or printed instructions prepared or developed by any **insured**; but this exclusion does not apply to **bodily injury** or **property damage** resulting from the active malfunctioning of such products or work;

(l) to **property damage** to the named **insured's** products arising out of such products or any part of such products;

(m) to **property damage** to work performed by or on behalf of the **named insured** arising out of the work or any portion thereof,

or out of materials, parts or equipment furnished in connection therewith;

(n) to **damages** claimed for the withdrawal, inspection, repair, replacement, or loss of use of the **named insured's products** or work completed by or for the **named insured** or of any property of which such products or work form a part, if such products, work or property are withdrawn from the market or from use because of any known or suspected defect or deficiency therein.

SUPPLEMENTARY PAYMENTS

The company will pay, in addition to the applicable limit of liability:

(a) all expenses incurred by the company, all costs taxed against the **insured** in any suit defended by the company and all interest on the entire amount of any judgment therein which accrues after entry of the judgment and before the company has paid or tendered or deposited in court that part of the judgment which does not exceed the limit of the company's liability thereon;

(b) premiums on appeal bonds required in any such suit, premiums on bonds to release attachments in any such suit for an amount not in excess of the applicable limit of liability of this policy, and the cost of bail bonds required of the **insured** because of accident or traffic law violation arising out of the use of any vehicle to which this policy applies, not to exceed $250 per bail bond, but the company shall have no obligation to apply for or furnish any such bonds;

(c) expenses incurred by the **insured** for first aid to others at the time of an accident, for **bodily injury** to which this policy applies;

(d) reasonable expenses incurred by the **insured** at the company's request, including actual loss of wages or salary (but not loss of other income) not to exceed $25 per day because of his attendance at hearings or trials at such request.

II PERSONS INSURED

Each of the following is an **insured** under this policy to the extent set forth below:

(a) if the **named insured** is designated in the declarations as an individual, the person so designated but only with respect to the conduct of a business of which he is the sole proprietor;

(b) if the **named insured** is designated in the declarations as a partnership or joint venture, the partnership or joint venture so designated and any partner or member thereof but only with respect to his liability as such;

(c) if the **named insured** is designated in the declarations as other than an individual, partnership or joint venture, the organization so designated and any executive officer, director or stockholder thereof while acting within the scope of his duties as such;

(d) any person (other than an employee of the **named insured**) or organization while acting as real estate manager for the **named insured**; and

(e) with respect to the operation, for the purpose of locomotion upon a public highway, of **mobile equipment** registered under any motor vehicle registration law,

(i) an employee of the **named insured** while operating any such equipment in the course of his employment, and

(ii) any other person while operating with the permission of the **named insured** any such equipment registered in the name of the **named insured** and any person or organization legally responsible for such operation, but only if there is no other valid and collectible insurance available, either on a primary or excess basis, to such person or organization;

provided that no person or organization shall be an **insured** under this paragraph (e) with respect to:

(1) **bodily injury** to any fellow employee of such person injured in the course of his employment, or

(2) **property damage** to property owned by, rented to, in charge of or occupied by the **named insured** or the employer of any person described in subparagraph (ii).

This insurance does not apply to **bodily injury** or **property damage** arising out of the conduct of any partnership or joint venture of which the **insured** is a partner or member and which is not designated in this policy as a **named insured**.

LIMITS OF LIABILITY IV

Regardless of the number of (1) **insureds** under this policy, (2) persons or organizations who sustain **bodily injury** or **property damage**, or (3) claims made or suits brought on account of **bodily injury** or **property damage**, the company's liability is limited as follows:

Coverage A—The limit of **bodily injury** liability stated in the declarations as applicable to "each person" is the limit of the company's liability for all **damages** because of **bodily injury** sustained by one person as the result of any one **occurrence**; but subject to the above provision respecting "each person", the total liability of the company for all **damages** because of **bodily injury** sustained by two or more persons as the result of any one **occurrence** shall not exceed the limit of **bodily injury** liability stated in the declarations as applicable to "each **occurrence**".

Subject to the above provisions respecting "each person" and "each **occurrence**", the total liability of the company for all **damages** because of (1) all **bodily injury** included within the **completed operations hazard** and (2) all **bodily injury** included within the **products hazard** shall not exceed the limit of **bodily injury** liability stated in the declarations as "aggregate".

Coverage B—The total liability of the company for all **damages** because of all **property damage** sustained by one or more persons or organizations as the result of any one **occurrence** shall not exceed the limit of **property damage** liability stated in the declarations as applicable to "each **occurrence**".

Subject to the above provision respecting "each **occurrence**", the total liability of the company for all **damages** because of all **property damage** to which this coverage applies and described in any of the numbered subparagraphs below shall not exceed the limit of **property damage** liability stated in the declarations as "aggregate":

(1) all **property damage** arising out of premises or operations rated on a remuneration basis or contractor's equipment rated on a receipts basis, including **property damage** for which liability is assumed under any **incidental contract** relating to such premises or operations, but excluding **property damage** included in subparagraph (2) below;

(2) all **property damage** arising out of and occurring in the course of operations performed for the **named insured** by independent contractors and general supervision thereof by the **named insured**, including any such **property damage** for which liability is assumed under any **incidental contract** relating to such operations, but this subparagraph (2) does not include **property damage** arising out of maintenance or repairs at premises owned by or rented to the **named insured** or structural alterations at such premises which do not involve changing the size of or moving buildings or other structures;

(3) all **property damage** included within the **products hazard** and all **property damage** included within the **completed operations hazard**.

Such aggregate limit shall apply separately to the **property damage** described in subparagraphs (1), (2) and (3) above, and under subparagraphs (1) and (2), separately with respect to each project away from premises owned by or rented to the **named insured**.

Coverages A and B—For the purpose of determining the limit of the company's liability, all **bodily injury** and **property damage** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one **occurrence**.

POLICY PERIOD; TERRITORY V

This policy applies only to **bodily injury** or **property damage** which occurs during the policy period within the policy territory.

DEFINITIONS VI

When used in this policy (including endorsements forming a part hereof):

"automobile" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads (including any machinery or apparatus attached thereto), but does not include **mobile equipment;**

"bodily injury" means bodily injury, sickness or disease sustained by any person;

"completed operations hazard" includes **bodily injury** and **property damage** arising out of operations or reliance upon a representation or warranty made at any time with respect thereto, but only if the **bodily injury** or **property damage** occurs after such operations have been completed or abandoned and occurs away from premises owned by or rented to the **named insured.** "Operations" include materials, parts or equipment furnished in connection therewith. Operations shall be deemed completed at the earliest of the following times:

(1) when all operations to be performed by or on behalf of the **named insured** under the contract have been completed,

(2) when all operations to be performed by or on behalf of the **named insured** at the site of the operations have been completed, or

(3) when the portion of the work out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

Operations which may require further service or maintenance work, or correction, repair or replacement because of any defect or deficiency, but which are otherwise complete, shall be deemed completed.

The **completed operations hazard** does not include **bodily injury** or **property damage** arising out of

(a) operations in connection with the transportation of property, unless the **bodily injury** or **property damage** arises out of a condition in or on a vehicle created by the loading or unloading thereof,

(b) the existence of tools, uninstalled equipment or abandoned or unused materials, or

(c) operations for which the classification stated in this policy or in the company's manual specifies "including completed operations";

"damages" includes damages for death and for care and loss of services resulting from **bodily injury** and damages for loss of use of property resulting from **property damage;**

"elevator" means any hoisting or lowering device to connect floors or landings, whether or not in service, and all appliances thereof including any car, platform, shaft, hoistway, stairway, runway, power equipment and machinery; but does not include an **automobile** servicing hoist, or a hoist without a platform outside a building if without mechanical power or if not attached to building walls, or a hod or material hoist used in alteration, construction or demolition operations, or an inclined conveyor used exclusively for carrying property or a dumbwaiter used exclusively for carrying property and having a compartment height not exceeding four feet;

"incidental contract" means any written (1) lease of premises, (2) easement agreement, except in connection with construction or demolition operations on or adjacent to a railroad, (3) undertaking to indemnify a municipality required by municipal ordinance, except in connection with work for the municipality, (4) sidetrack agreement, or (5) **elevator** maintenance agreement;

"insured" means any person or organization qualifying as an insured in the "Persons Insured" provision of the applicable insurance coverage. The insurance afforded applies separately to each **insured** against whom claim is made or suit is brought, except with respect to the limits of the company's liability;

"mobile equipment" means a land vehicle (including any machinery or apparatus attached thereto), whether or not self-propelled, (1) not subject to motor vehicle registration, or (2) maintained for use exclusively on premises owned by or rented to the **named insured**, including the ways immediately adjoining, or (3) designed for use principally off public roads, or (4) designed or maintained for the sole purpose of affording mobility to equipment of the following types forming an integral part of or permanently attached to such vehicle: power cranes, shovels, loaders, diggers and drills; concrete mixers (other than the mix-in-transit type); graders, scrapers, rollers and other road construction or repair equipment; air-compressors, pumps and generators, including spraying, welding and building cleaning equipment; and geophysical exploration and well servicing equipment;

"named insured" means the person or organization named in Item 1 of the declarations of this policy;

"named insured's products" means goods or products manufactured, sold, handled or distributed by the **named insured** or by others trading under his name, including any container thereof (other than a vehicle), but **"named insured's products"** shall not include a vending machine or any property other than such container, rented to or located for use of others but not sold;

"occurrence" means an accident, including injurious exposure to conditions, which results, during the policy period, in **bodily injury** or **property damage** neither expected nor intended from the standpoint of the **insured;**

"policy territory" means:

(1) the United States of America, its territories or possessions, or Canada, or

(2) international waters or air space, provided the **bodily injury** or **property damage** does not occur in the course of travel or transportation to or from any other country, state or nation, or

(3) anywhere in the world with respect to **damages** because of **bodily injury** or **property damage** arising out of a product which was sold for use or consumption within the territory described in paragraph (1) above, provided the original suit for such damages is brought within such territory;

"products hazard" includes **bodily injury** and **property damage** arising out of the **named insured's products** or reliance upon a representation or warranty made at any time with respect thereto, but only if the **bodily injury** or **property damage** occurs away from premises owned by or rented to the **named insured** and after physical possession of such products has been relinquished to others;

"property damage" means injury to or destruction of tangible property.

CONDITIONS

VII

1 **Premium** All premiums for this policy shall be computed in accordance with the company's rules, rates, rating plans, premiums and minimum premiums applicable to the insurance afforded herein.

Premium designated in this policy as "advance premium" is a deposit premium only which shall be credited to the amount of the earned premium due at the end of the policy period. At the close of each period (or part thereof terminating with the end of the policy period) designated in the declarations as the audit period the earned premium shall be computed for such period and, upon notice thereof to the **named insured,** shall become due and payable. If the total earned premium for the policy period is less than the premium previously paid, the company shall return to the **named insured** the unearned portion paid by the **named insured.**

The **named insured** shall maintain records of such information as is necessary for premium computation, and shall send copies of such records to the company at the end of the policy period and at such times during the policy period as the company may direct.

2 **Inspection and Audit** The company shall be permitted but not obligated to inspect the **named insured's** property and operations at any time. Neither the company's right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the named insured or others, to determine or warrant that such property or operations are safe.

The company may examine and audit the **named insured's** books and records at any time during the policy period and extensions thereof and within three years after the final termination of this policy, as far as they relate to the subject matter of this insurance.

3 **Financial Responsibility Laws** When this policy is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, such insurance as is afforded by this policy for **bodily injury** liability or for **property damage** liability shall comply with the provisions of such law to the extent of the coverage and limits of liability required by such law. The **insured** agrees to reimburse the company for any payment

made by the company which it would not have been obligated to make under the terms of this policy except for the agreement contained in this paragraph.

Insured's Duties in the Event of Occurrence, Claim or Suit

(a) In the event of an **occurrence**, written notice containing particulars sufficient to identify the **insured** and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the injured and of available witnesses, shall be given by or for the **insured** to the company or any of its authorized agents as soon as practicable. The **named insured** shall promptly take at his expense all reasonable steps to prevent other **bodily injury** or **property damage** from arising out of the same or similar conditions, but such expense shall not be recoverable under this policy.

(b) If claim is made or suit is brought against the **insured**, the **insured** shall immediately forward to the company every demand, notice, summons or other process received by him or his representative.

(c) The **insured** shall cooperate with the company and, upon the company's request, assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the **insured** because of **bodily injury** or **property damage** with respect to which insurance is afforded under this policy; and the insured shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The **insured** shall not, except at his own cost, voluntarily make any payment, assume any obligation or incur any expense other than for first aid to others at the time of accident.

5 **Action Against Company** No action shall lie against the company unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this policy, nor until the amount of the **insured's** obligation to pay shall have been finally determined either by judgment against the **insured** after actual trial or by written agreement of the **insured**, the claimant and the company.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. No person or organization shall have any right under this policy to join the company as a party to any action against the **insured** to determine the **insured's** liability, nor shall the company be impleaded by the **insured** or his legal representative. Bankruptcy or insolvency of the **insured** or of the **insured's** estate shall not relieve the company of any of its obligations hereunder.

6 **Other Insurance** The insurance afforded by this policy is primary insurance, except when stated to apply in excess of or contingent upon the absence of other insurance. When this insurance is primary and the **insured** has other insurance which is stated to be applicable to the loss on an excess or contingent basis, the amount of the company's liability under this policy shall not be reduced by the existence of such other insurance.

When both this insurance and other insurance apply to the loss on the same basis, whether primary, excess or contingent, the company shall not be liable under this policy for a greater proportion of the loss than that stated in the applicable contribution provision below:

(a) **Contribution by Equal Shares** If all of such other valid and collectible insurance provides for contribution by equal shares, the company shall not be liable for a greater proportion of such loss than would be payable if each insurer contributes an equal share until the share of each insurer equals the lowest applicable limit of liability under any one policy or the full amount of the loss is paid, and with respect to any amount of loss not so paid the remaining insurers then continue to contribute equal shares of the remaining amount of the loss until each insurer has paid its limit in full or the full amount of the loss is paid.

(b) **Contribution by Limits** If any of such other insurance does not provide for contribution by equal shares, the company shall not be liable for a greater proportion of such loss than the applicable limit of liability under this policy for such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

Subrogation In the event of any payment under this policy, the company shall be subrogated to all the **insured's** rights of recovery therefor against any person or organization and the **insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **insured** shall do nothing after loss to prejudice such rights. 7

Changes Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this policy or estop the company from asserting any right under the terms of this policy; nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy, signed by the President or a Vice President, and the Secretary or an Assistant Secretary of the company and, if such signatures are facsimile signatures, countersigned by a duly authorized representative of the company. 8

Assignment Assignment of interest under this policy shall not bind the company until its consent is endorsed hereon; if, however, the **named insured** shall die, such insurance as is afforded by this policy shall apply (1) to the **named insured's** legal representative, as the **named insured**, but only while acting within the scope of his duties as such, and (2) with respect to the property of the **named insured**, to the person having proper temporary custody thereof, as **insured**, but only until the appointment and qualification of the legal representative. 9

Three Year Policy If this policy is issued for a period of three years, the limits of the company's liability shall apply separately to each consecutive annual period thereof. 10

Cancellation This policy may be cancelled by the **named insured** by mailing to the company written notice stating when thereafter the cancellation shall be effective. This policy may be cancelled by the company by mailing to the **named insured** at the address shown in this policy, written notice stating when not less than ten days thereafter such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The effective date of cancellation stated in the notice shall become the end of the policy period. Delivery of such written notice either by the **named insured** or by the company shall be equivalent to mailing. 11

If the **named insured** cancels, earned premium shall be computed in accordance with the customary short rate table and procedure. If the company cancels, earned premium shall be computed pro rata. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

Declarations By acceptance of this policy, the **named insured** agrees that the statements in the declarations are his agreements and representations, that this policy is issued in reliance upon the truth of such representations and that this policy embodies all agreements existing between himself and the company or any of its agents relating to this insurance. 12

Mutual Policy Conditions This policy is nonassessable. The policyholder is a member of the company and shall participate, to the extent and upon the conditions fixed and determined by the board of directors in accordance with the provisions of law, in the distribution of dividends so fixed and determined. 13

In witness whereof, the company has caused this policy to be signed by its President and Secretary at Boston, Massachusetts, and countersigned on the declarations page by a duly authorized representative of the company.

Bruce E. Boorman
SECRETARY

Frank L. Farwell
PRESIDENT

THIS ENDORSEMENT APPLIES TO ALL LIABILITY AND MEDICAL PAYMENTS COVERAGES AFFORDED BY THIS POLICY, INCLUDING ANY SUCH COVERAGES ADDED BY ENDORSEMENT EITHER AT INCEPTION OR DURING THE POLICY PERIOD, EXCEPT UNDER COMPREHENSIVE PERSONAL AND FARMER'S COMPREHENSIVE PERSONAL INSURANCE.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT
(Broad Form)

It is agreed that:

I. The policy does not apply:

A. Under any Liability Coverage, to **bodily injury** or **property damage**

(1) with respect to which an **insured** under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) resulting from the **hazardous properties** of **nuclear material** and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the **insured** is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments Coverage, or under any Supplementary Payments provision relating to first aid, to expenses incurred with respect to **bodily injury** resulting from the **hazardous properties** of **nuclear material** and arising out of the operation of a **nuclear facility** by any person or organization.

C. Under any Liability Coverage, to **bodily injury** or **property damage** resulting from the **hazardous properties** of **nuclear material**, if

(1) the **nuclear material** (a) is at any **nuclear facility** owned by, or operated by or on behalf of, an **insured** or (b) has been discharged or dispersed therefrom;

(2) the **nuclear material** is contained in **spent fuel** or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an **insured**; or

(3) the **bodily injury** or **property damage** arises out of the furnishing by an **insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **nuclear facility**, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to **property damage** to such **nuclear facility** and any property thereat.

II. As used in this endorsement:

"**hazardous properties**" include radioactive, toxic or explosive properties;

"**nuclear material**" means **source material**, **special nuclear material** or **byproduct material**;

"**source material**", "**special nuclear material**", and "**byproduct material**" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"**spent fuel**" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**;

"**waste**" means any waste material (1) containing **byproduct material** and (2) resulting from the operation by any person or organization of any **nuclear facility** included within the definition of **nuclear facility** under paragraph (a) or (b) thereof;

"**nuclear facility**" means

(a) any **nuclear reactor**,

(b) any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing **spent fuel**, or (3) handling, processing or packaging **waste**,

(c) any equipment or device used for the processing, fabricating or alloying of **special nuclear material** if at any time the total amount of such material in the custody of the **insured** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,

(d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **waste**,

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

"**nuclear reactor**" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

"**property damage**" includes all forms of radioactive contamination of property.

LIBERTY MUTUAL INSURANCE COMPANY

Irma E. Boorman
SECRETARY

Frank L. Farwell
PRESIDENT

GENERAL AMENDATORY ENDORSEMENT

It is agreed that:

1. Named Insured The term "named insured" includes in addition to the person or organization named in Item 1 of the declarations:

Effective 11-1-67

Heuneme Handling Company
Adirondack Plywood, Inc. Champion Alabama Corporation
Lewers & Cooke Merchandise Corporation

and any business entity incorporated or organized under the laws of the United States of America (including any State thereof) its territories or possessions or Canada (including any Province thereof) while the person or organization named in Item 1 of the declarations or the aforenamed owns during the policy period an interest in such entity of more than fifty per cent (50%)

The person or organization named in Item 1 of the declarations by acceptance of this policy is authorized to act and agrees to act on behalf of all persons or organizations insured under this policy with respect to all matters pertaining to the insurance afforded by the policy, including the giving and receiving of notice of cancellation, the payment of premiums and the receiving of return premiums, if any, and of such dividends as may be declared by the company.

2. Personal Injury Coverage The term "personal injury" is substituted for the term "bodily injury" throughout the policy except in exclusion (h) and in the definitions of "bodily injury", "personal injury" and "occurrence".

3. Foreign Coverage

(a) Policy Territory

The term "policy territory" is amended by adding the following subdivision (4):

(4) anywhere in the world, except with respect to loss arising out of the foreign

based operations of the named insured. As used herein "foreign based operations" means (1) construction, fabrication, erection or installation operations outside the United States of America, its territories or possessions or Canada or (2) manufacturing, selling or distributing goods or products at or from locations outside the United States of America, its territories or possessions or Canada, but "foreign based operations" do not include the distribution or sale of goods or products manufactured in the United States of America, its territories or possessions or Canada.

(b) Investigation; Defense; Settlement - Foreign Claims or Suits

The company shall have the right but not the duty to investigate, settle or defend any claim made or suit brought against the insured outside the United States of America, its territories or possessions, or Canada. If the company elects not to investigate, settle or defend any such claim or suit, the insured under the supervision of the company shall arrange for such investigation and defense as are reasonably necessary, and subject to prior authorization of the company, shall effect such settlement thereof as the company and the insured deem expedient. The company shall reimburse the insured for the reasonable costs of such investigation and defense and, within the applicable limit of the company's liability, for the amount of any settlement so authorized.

(c) Other Insurance

With respect to losses to which this policy applies by reason of subdivision (4) of "policy territory", the insurance afforded by this policy does not apply to that portion of the loss for which the insured has other valid and collectible insurance, whether on a primary, excess or contingent basis.

4. Limits of Liability; Non-Cumulative of Liability - Same Occurrence

The last paragraph of Section IV, "Limits of Liability" is replaced by the following: "Coverage A and B -- For the purpose of determining the limit of the company's

liability (1) all personal injury and property damage arising out of continuous or repeated exposure to substantially the same general conditions and (2) all personal injury arising out of a series of publications or utterances of the same or similar defamatory material shall be considered as arising out of one occurrence."

The following paragraph is added to Section IV:

"If the same occurrence gives rise to personal injury or property damage which occurs partly before and partly within the policy period, the each occurrence limit and the applicable aggregate limit or limits of this policy shall be reduced by the amount of each payment made by the company with respect to such occurrence under a previous policy or policies of which this policy is a replacement."

5. Liquor Law Liability Exclusion (f) deleted.

6. Automobiles and Aircraft Exclusion Exclusion (b) is amended to read as follows:

"(b) to personal injury or property damage arising out of the ownership, maintenance, operation, use loading or unloading of

(1) any automobile or aircraft owned or operated by or rented or loaned to the named insured, or

(2) any other automobile or aircraft operated by any person in the course of his employment by the named insured,

but this exclusion does not apply to liability assumed under an incidental contract."

7. Additional and Amended Definitions "Personal Injury" means (1) bodily injury, (2) any injury to the feelings or reputation of a natural person and (3) any injury to intangible property sustained by any organization as the result of false eviction, malicious prosecution, libel, slander or defamation; but the term personal injury does not include under subdivisions (2) and (3) any injury arising out of (a) discrimination by reason of race, color, creed or sex which is unlawful under State or Federal law or (b) advertising, broadcasting or telecasting activities conducted by or behalf of the named insured.

"Occurrence" is amended to read as follows: "occurrence" means (a) an accident, including injurious exposure to conditions, which results, during the policy period in bodily injury or property damage neither expected nor intended from the standpoint of the insured and (b) with respect to injury as defined in subdivision (2) and (3) of the definition of "personal injury" any act other than an act committed by or at the direction of the insured for the purpose of causing injury.

8. Additional Insured

Section III Persons Insured is amended to include the following paragraph (f):

(f) the owner or lessor (and the agents or legal representative of such owner or lessor) of premises rented to, leased to or occupied by the named insured, but only if and to the extent required by any lease agreement entered into by the named insured with such owner or lessor.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman Secretary Frank L. Farwell President

Countersigned by C W Isaacs Jr. J.
Authorized Representative

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LG1-621-004152-067
Issued to

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman Secretary Frank L. Farwell President

Countersigned by _____
Authorized Representative

Endorsement Serial No. 1
(4 of 4)

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

COVERAGE A -- PERSONAL INJURY LIABILITY

COVERAGE B -- PROPERTY DAMAGE LIABILITY

CONTRACTUAL LIABILITY INSURANCE

ENDORSEMENT

(All Written Contracts Except Incidental Contracts)

It is agreed that:

1. CONTRACTUAL LIABILITY

Coverage A and B also apply to liability assumed by the named insured under an insured contract, subject to the limits of liability and other provisions of the policy applicable to Coverages A and B, except as expressly modified by this endorsement. The company will defend any claim or suit against the indemnitee which the named insured is required to defend by the specific terms of an insured contract, but only to the extent and on the same terms as if the indemnitee were the insured under the policy and then only if all of the following conditions are satisfied:(1) the claim or suit seeks damages for which the indemnitee is legally entitled to indemnification under the insured contract, (2) the policy covers such damages and (3) the applicable limit of the company's liability with respect to such damages has not been exhausted by payment of judgments or settlements.

II. EXCLUSIONS

All exclusions, including exclusion (e), applicable to Coverage A and B apply to liability assumed under an insured contract, except exclusions (a), (b), (c), (d), and (h). The following additional exclusions apply to such liability: The insurance does not apply.

1. to any personal injury or porperty damage which does not arise out of (a) operations performed or services furnished by the named insured or (b) operations performed for or property furnished to the named insured (c) the maintenance or use of real or personal property owned by or rented to the named insured or of easements of other property rights or privileges granted to the named insured or (d) the handling of use of or the existence of any condition in the named insured's products;
2. if the indemnitee is an employee of the named insured to personal injury sustained by any other employee of the named insured arising out of and in the course of his employment by the named insured
3. to any agreement (a) to pay for property damage to property owned by, rented to or used by the indemnitee arising out of operations performed for the named insured by the indemnitee or (b) to pay any fines, penalties or liquidated damages or (c) to pay any amounts or benefits on account of personal injury or property damage in excess of such compensatory damages as would be recoverable therefor in an action of tort for ordinary negligence or (d) if the indemnitee is an employee of the named insured to pay any amounts or benefits on account of his personal injury in excess of those for which the named insured or any carrier as his insurer may be held liable under any applicable Workmen's Compensation, Unemployment Compensation, Disability Benefits or similar law.

III. ADDITIONAL DEFINITIONS

When used in reference to this insurance (including endorsements forming a part of the policy):

"Indemnitee" means the person or organization claiming indemnification from the named insured.

"Insured contract" means any written contract made prior to the occurrence giving rise to the personal injury or property damage with respect to which indemnification is claimed, but insured contract does not include (1) an incidental contract, (2) a warranty of fitness or quality of the named insured's products or (3) a warranty that work performed by or on behalf of the named insured will be done in a workmanlike manner.

IV. ARBITRATION

The word "suit" includes an arbitration proceeding to which the insured is required to submit by the terms of the insured contract or to which the insured has submitted with the company's consent, provided the company is entitled to exercise all of the insured's rights in the choice of arbitrators and in the conduct of any arbitration proceedings.

V. LIMITS OF LIABILITY

The limits of liability stated in the declarations as applicable under Coverage A -- Personal Injury Liability -- to "each person" and "each occurrence" and under Coverage B -- Property Damage Liability -- to "each occurrence" also include respectively any liability assumed under an insured contract with respect to personal injury or property damage.

Subject to the above provisions and the provisions of the policy respecting "each occurrence", the total liability of the company for all damages because of all property damage for which liability is assumed under all insured contracts shall

not exceed the limit of liability for Coverage B stated in the declarations as "aggregate", or if no such limit is therein stated, the limit stated in this endorsement as "aggregate". Such aggregate limit shall apply separately with respect to each project away from premises owned by or rented to the named insured.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____
Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____
Authorized Representative

Effective Date — Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LG1-621-004152-067
Issued to

Endorsement Serial No. 2

Work Units 1 — Issued — Sales Office & No.

AMENDMENT OF "ALCOHOLIC BEVERAGE" EXCLUSION — SOUTH CAROLINA JA 505

It is agreed that that part of the alcoholic beverage exclusion which relates to the selling, serving or giving of any alcoholic beverage (a) to a person under the influence of alcohol or (b) which causes or contributes to the intoxication of any person, is deleted.

LIBERTY MUTUAL INSURANCE COMPANY

Frank L. Farrell

PRESIDENT

Bruce E. Boorman

SECRETARY

Effective Date
Expiration Date

For attachment
to Policy No. IG1-621-004152-067
Issued to

Countersigned by _____
Authorized Representative

A0001, G502 (10/1/66)
AG LC LG LO LM

PRINTED IN U.S.A.

Endorsement No. 3

AMENDMENT OF CANCELLATION CONDITION
(Michigan)

It is agreed that the first paragraph of the Cancellation Condition is amended to read as follows:

This policy may be cancelled by the **named insured** by mailing to the company written notice stating when thereafter the cancellation shall be effective. This policy may be cancelled by the company by mailing to the **named insured** at his address last known to the company or its authorized agent written notice stating when not less than ten days thereafter such cancellation shall be effective. The effective date of cancellation stated in the notice shall become the end of the policy period. Delivery of such written notice either by the **named insured** or by the company shall be equivalent to mailing.

LIBERTY MUTUAL INSURANCE COMPANY

Frank L. Farwell
PRESIDENT

Effective Date
Expiration Date

For attachment
to Policy No. LG1-621-004152-067
Issued to

Bruce E. Boorman
SECRETARY

Countersigned by _____
Authorized Representative

A0002, G503 (10/1/66)

Endorsement No. 4

Printed in USA

ACTION AGAINST COMPANY AMENDMENT
(Massachusetts)

It is agreed that the clause "nor shall the company be impleaded by the insured or his legal representative" in the Action Against Company Condition shall not apply to any right of impleader under Section 4B of Chapter 231 of the General Laws of Massachusetts (Chapter 696, Acts of 1964).

LIBERTY MUTUAL INSURANCE COMPANY

Secretary — President

For attachment
to Policy No. LG1-621-004152-067
Issued to

Countersigned by .....
Authorized Representative

G512, A0013
AE AV AG
LF LG LO LM LX Issued
10-1-66

Endorsement No. 5

JA 508

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

Coverage A—Bodily Injury Liability

Coverage B—Property Damage Liability

MOBILE EQUIPMENT

(Massachusetts Compulsory Liability Security Act)

It is agreed that the following additional provisions apply to **bodily injury** and **property damage** arising out of the ownership, maintenance, use, loading or unloading of any **mobile equipment** with respect to which insurance is required of the **named insured** under the Massachusetts Compulsory Liability Security Act. (Chapter 346, Acts of 1925):

1. Except to the extent provided in paragraph 2. below, the insurance afforded by this policy does not apply either on a primary or excess basis to **bodily injury** or **property damage** with respect to which any insurance (regardless of amount) is afforded under any liability coverage (compulsory or optional) of a Massachusetts Motor Vehicle Policy issued to the **named insured.**

2. If the only liability i[illegible] applicable with respect to such **bodily injury** under such a Motor Vehicle Policy is under the compulsory coverage, the B[illegible]ly Injury Liability Coverage of this policy shall apply in excess of such insurance, but only with respect to **bodily injury** arising out of the operation or use of the **mobile equipment** other than solely for the purposes of transportation or locomo[illegible]

LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman — Secretary Frank L. Farwell — President

Premium $
Effective Date
Expiration Date
Audit Basis
For attachment
to Policy No. IG1 - 621-004152-067
Issued to

Countersigned by [illegible] — Authorized Representative

G513

Endorsement No. 6

WATERCRAFT ENDORSEMENT

It is agreed that insurance is afforded by the policy with respect to the ownership, maintenance, operation, use, loading or unloading, of any watercraft, except that the insurance does not apply:

(a) while any watercraft is used to carry passengers for a consideration or is rented to others.

It is further agreed that exclusion (d) is eliminated.

The insurance afforded by this endorsement does not apply to that portion of the loss for which the insured has other valid and collectible insurance, whether on a primary, excess or contingent basis.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Borman, Secretary — Frank L. Farwell, President

Countersigned by C W [illegible] Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Borman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy ~~or Bond~~ No. LG1-621-004152-067
Issued to

Endorsement Serial No. 7

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

COVERAGE A — BODILY INJURY LIABILITY

COVERAGE B — PROPERTY DAMAGE LIABILITY

DEDUCTIBLE LIABILITY INSURANCE

It is agreed that:

1. The company's obligation under the Bodily Injury Liability and Property Damage Liability Coverages to pay **damages** on behalf of the **insured** applies only to the amount of **damages** in excess of any deductible amounts stated in the schedule below as applicable to such coverages.
2. The deductible amounts stated in the schedule apply as follows:
   (a) **PER CLAIM BASIS**—If the deductible is on a "per claim" basis, the deductible amount applies under the Bodily Injury Liability or Property Damage Liability Coverage, respectively, to all **damages** because of **bodily injury** sustained by one person, or to all **property damage** sustained by one person or organization, as the result of any one **occurrence.**
   (b) **PER OCCURRENCE BASIS**—If the deductible is on a "per **occurrence**" basis, the deductible amount applies under the Bodily Injury Liability or Property Damage Liability Coverage, respectively, to all **damages** because of all **bodily injury** or **property damage** as the result of any one **occurrence.**
3. The terms of the policy, including those with respect to (a) the company's rights and duties with respect to the defense of suits and (b) the **insured's** duties in the event of an **occurrence** apply irrespective of the application of the deductible amount.
4. The company may pay any part or all of the deductible amount to effect settlement of any claim or suit and, upon notification of the action taken, the **named insured** shall promptly reimburse the company for such part of the deductible amount as has been paid by the company.

SCHEDULE

Coverage	Amount and Basis of Deductible	
Bodily Injury Liability	$	per claim
	$	per **occurrence**
Property Damage Liability	$	per claim
	$ 5,000	per **occurrence**

APPLICATION OF ENDORSEMENT (Enter here any limitations on the application of this endorsement. If no limitation is entered, the deductibles apply to all loss however caused):—

See Page 2 of 2

LIBERTY MUTUAL INSURANCE COMPANY

Premium $

Frank L. Farwell
PRESIDENT

Effective Date
Expiration Date
Audit Basis
For attachment
to Policy No. LG1-621-C04152-067
Issued to

Bruce E. Boorman
SECRETARY

Countersigned by .....
Authorized Representative

This endorsement applies only to Property Damage arising out of the completed operation hazard or product hazard.

This endorsement does not apply to the following divisions:

Weldwood Structures Division
Protection Products Division
Lewers and Cooke Division except
with respect to wood or related products.

The above deductible amount is the total amount to be deducted because of all damages arising out of any one occurrence regardless of the number of subsidiaries of the named insured against whom claim or suit may be brought, whether insured under this policy or under any other policy issued by the company.

JA 512

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

COVERAGE A — BODILY INJURY LIABILITY

COVERAGE B — PROPERTY DAMAGE LIABILITY

ADDITIONAL INSURED
(Vendors — Limited Form)

It is agreed that the "Persons Insured" provision is amended to include any person or organization (herein referred to as "vendor"), **as an insured,** but only with respect to the distribution or sale in the regular course of the vendor's business of the **named insured's products** subject to the following additional provisions:

1. The insurance with respect to the vendor does not apply to:
   (a) any express warranty, or any distribution or sale for a purpose, unauthorized by the **named insured;**
   (b) **bodily injury** or **property damage** arising out of
      (i) any act of the vendor which changes the condition of the products,
      (ii) any failure to maintain the product in merchantable condition,
      (iii) any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products, or
      (iv) products which after distribution or sale by the **named insured** have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor;
   (c) **bodily injury** or **property damage** occurring within the vendor's premises.
2. The insurance does not apply to any person or organization, as **insured,** from whom the **named insured** has acquired such products or any ingredient, part or container, entering into, accompanying or containing such products.

"The insurance afforded by this endorsement does not apply unless the named insured specifically requests the company to extend coverage to such person or organization as an additional insured after an occurrence has taken place, which results or appears likely in a claim against such person or organization."

LIBERTY MUTUAL INSURANCE COMPANY

Premium $

Effective Date
Expiration Date
Audit Basis
For attachment
to Policy No. LG1-621-004152-067
Issued to

Frank L. Farwell
PRESIDENT

Brian E. Boorman
SECRETARY

Countersigned by ..... Authorized Representative

G114 (10/1/66)
LC LG LB

Endorsement No. 9

JA 513

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

COVERAGE A — BODILY INJURY LIABILITY
COVERAGE B — PROPERTY DAMAGE LIABILITY
COVERAGE P — PERSONAL INJURY LIABILITY

ADDITIONAL INSURED

(Named Insured's Operations)

It is agreed that the "Persons Insured" provision is amended to include as an **insured** the person or organization named below, but only with respect to acts or omissions of the **named insured** in connection with the **named insured's** operations at the applicable location designated below.

Name of Person or Organization	Applicable Location
State of Oregon State Highway Commission and Members thereof, its officers, agents and employees	Oregon State Highway #38
Stebco Incorporated	States of Oregon and Washington described in timber deed & warranty deeds covering agreement with U.S. Plywood-Champion Papers Inc.
Pacific Gas & Electric Co. 1625 Clay St. Oakland, California (With respect to job performed by Weldwood Structures Division)	Hiller Highlands, Calif.
State of California, Dept. of Parks & Recreation, Divisions of Beaches & Parks & the Officers Agents & Employees thereof. (With respect to the right of way agreement between U.S. Plywood-Champion Papers Inc. & the State of California)	Humbolt Redwoods, State Park, California
Quipco, Inc.	Model 750-65 Case Tractor and a model 125C Lindsay Portable Compressor leased to Weldwood Structures Division

LIBERTY MUTUAL INSURANCE COMPANY

Frank L. Farwell
PRESIDENT

Bruce E. Boorman
SECRETARY

Premium $

Effective Date
Expiration Date
Audit Basis
For attachment
to Policy No. LG1-621-004152-067

Issued to

Countersigned by .....
Authorized Representative

L-G1001
LC LG LM LO

Endorsement No. 10

WISCONSIN AMENDMENT OF STANDARD PROVISIONS
(General — Automobile)

JA 514

It is agreed that:

1. Paragraph (a) of the Condition entitled "Insured's Duties in the Event of Occurrence, Claim or Suit" is amended to read:

Insured's Duties in the Event of Occurrence, Claim or Suit

(a) In the event of an **occurrence**, written notice containing particulars sufficient to identify the **insured** and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the injured and of available witnesses, shall be given by or for the **insured** to the company or any of its authorized agents within 20 days following the date of the occurrence; provided, that failure to give such notice within the time specified shall not invalidate any claim made by the **insured** if it shall be shown not to have been reasonably possible to give such notice within the prescribed time and that such notice was given as soon as reasonably possible. The **named insured** shall promptly take at his expense all reasonable steps to prevent other **bodily injury** or **property damage** from arising out of the same or similar conditions, but such expense shall not be recoverable under this policy.

2. The Condition entitled "Changes" is amended to read:

Changes The terms of this policy shall not be changed, except by endorsement issued to form a part of this policy signed by the President or a Vice President and the Secretary or an Assistant Secretary of the company and, if such signatures are facsimile signatures, countersigned by a duly authorized representative of the company.

Knowledge of an agent of the company at the time this policy is issued or an application made shall be knowledge of the company, and any fact which breaches a condition of the policy and is known to the agent when the policy is issued or the application made shall not void the policy or defeat a recovery thereon in the event of loss.

3. The following paragraph is added to the Condition entitled "Declarations":

No oral or written statement, representation or warranty made by the **insured** or in his behalf in the negotiation of this policy shall be deemed material or defeat or avoid the policy, unless such statement, representation or warranty was false and made with intent to deceive, or unless the matter misrepresented or made a warranty increased the risk or contributed to the loss. No breach of a warranty in this policy shall defeat or avoid this policy unless the breach of such warranty increased the risk at the time of the loss, or contributed to the loss, or existed at the time of the loss.

4. With respect only to such insurance as is afforded by the policy for bodily injury liability or property damage liability arising out of the ownership, maintenance or use of motor vehicles:

(a) If an action for **bodily injury** or **property damage** occurring in the State of Wisconsin is brought in Wisconsin, the Condition entitled "Action Against Company" is amended to read:

Action Against Company No action shall lie against the company unless, as a condition precedent thereto, there shall have been full compliance by the **insured** with all of the terms of this policy.

Any person or organization or the legal representative thereof who has secured a judgment against the **insured** shall be entitled to recover under this policy to the extent of the insurance afforded by this policy. Bankruptcy or insolvency of **the insured** or of the **insured's** estate shall not relieve the company of any of its obligations hereunder.

(b) If the **named insured** is an individual, the "Persons Insured" provision is amended to include as an **insured** any person using a motor vehicle owned by the **named insured** which is designed to transport or draw persons or property on the public highways with the permission of an adult member of the **named insured's** household other than a chauffeur or domestic servant, and any other person or organization but only with respect to his or its liability because of acts or omissions of such an **insured.**

(c) The first paragraph of the Condition entitled "Cancellation" is amended to read:

This policy may be cancelled by the **named insured** by mailing to the company written notice stating when thereafter the cancellation shall be effective. This policy may be cancelled by the company by mailing to the **named insured** at the address shown in this policy, written notice stating when not less than twenty days thereafter such cancellation shall be effective. The effective date of cancellation stated in the notice shall become the end of the policy period. If the company elects not to renew this policy, it shall mail to the **named insured,** at the address shown in the policy, written notice of such nonrenewal not less than twenty days prior to the termination or expiration of this policy. The mailing of notice as aforesaid shall be sufficient proof of notice. Delivery of such written notice either by the **named insured** or by the company shall be equivalent to mailing.

5. **Amendment of Automobile Physical Damage Insurance — Wisconsin**

Paragraph (b) of the Condition entitled "Named Insured's Duties in Event of Loss" is amended to read:

(b) give notice thereof (i) to the company or any of its authorized agents within 20 days following the date the **loss** occurs, provided that failure to give such notice within the time specified shall not invalidate any claim made by **the named insured** if it shall be shown not to have been reasonably possible to give such notice within the prescribed time and that such notice was given as soon as reasonably possible, and also (ii) in the event of theft or larceny, promptly to the policy;

6. **Uninsured Motorists Coverage Amendment (Insolvent Insurer)**

If the policy affords Uninsured Motorists Coverage, it is agreed that the term "uninsured **highway vehicle**" includes a **highway vehicle** with respect to which there is a **bodily injury** liability insurance policy applicable at the time of the accident but the company writing the same is, either before or after the accident, declared insolvent by a court of competent jurisdiction.

Effective Date

Expiration Date

For attachment

to Policy No. LG1-621-004152-067

Issued to

LIBERTY MUTUAL INSURANCE COMPANY

Secretary — President

Countersigned by ..... Authorized Representative

A0012, G511
(A795b)
NAUA (GA-166)

Endorsement No. 11

ADDITIONAL INSURED'S - EMPLOYEES

It is agreed that the "Persons Insured" provision is amended to include any employee of the named insured while acting within the scope of his duties as such, provided the named insured, after an occurrence has taken place which results or appears likely to result in a claim against an employee, specifically requests the company to extend coverage to such employee as an Additional Insured.

The insurance afforded to such employee does not apply:

(a) to personal injury to another employee of the named insured arising out of or in the course of his employment;

(b) to property damage to property owned, occupied or used by, rented to, in the care, custody or control, of or over which physical control is being exercised for any purpose by (1) another employee of the named insured or (2) the named insured or, of the named insured is a partnership or joint venture, any partnership or joint venture, any partner or member thereof.

It is further agreed that exclusion (a) above does not apply to the insurance afforded to supervisory employees at the level of manager or above.
The insurance afforded by this endorsement does not apply to any Registered Nurse with respect to liability imposed on such nurse for damages arising out of the malpractice, including error, mistake and omission of such nurse in the rendering of professional services in the course of her employment with the named insured.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Edna E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by C W [illegible]
AUTHORIZED REPRESENTATIVE

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Edna E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LG1-621-004152-067
Issued to

Endorsement Serial No. 12

LOGGER'S PROPERTY DAMAGE
(Named Insured Endorsement)

1. It is agreed that with respect to Coverage B - Property Damage Liability the "Persons Insured's" provision is amended to include all logging contractors and sub-contractors, Road Building and Maintenance Contractors and salvage timber contractors while engaged in operations for U.S. Plywood-Champion Papers Inc., but only with respect to operations emanating from Michigan & Virginia location of U.S. Plywood-Champion Papers Inc.

   Such insurance also applies to injury to or destruction of property of others, including the loss of use thereof, arising out of an occurrence directly connected with the logging operations of the insured or other operations of the insured incidental to such logging operations including but not limited to:

   1. Damage to or destruction of trucks, trailers or railroad cars, the property of others while being loaded or unloaded.

   2. Damage to or destruction of timber lands and/or standing timber and/or felled and/or bucked timber, the property of others.

(a) It is agreed that for the purpose of this insurance, the term "logging" is a general term which includes logging, rail-road, trucking, maintenance of camp sites and all other operations incidental to logging operations including ownership and management of timber lands or other properties, operated, managed or maintained by, for or on behalf of the insured.

(b) It is further agreed that if, in addition to being held liable for a claim as described in Paragraph 1 hereof, the insured shall be also held liable, as a result of the same occurrence, for fire fighting expenses incurred by the same person, persons or entity, the amount of the insured's liability for such fire fighting expenses shall be included in the damages.

2. DEFINITION OF PROPERTY
   The term "injury to or destruction of property" shall mean physical injury or destruction of tangible property.

3. Deductibles
   a. The company's obligation to pay as damages on behalf of the insured applies only to the amount of damages in excess of any deductible shown below.
   b. The terms of the policy, including those with respect to (a) the company's rights and duties with respect to the defense of suits and (b) the insured's duties in the event of an occurrence apply irrespective of the application of the deductible amount.
   c. The company may pay any part or all the deductible amount to effect settlement of any claim or suit and, upon notification of the action taken, the named insured shall promptly reimburse the company for such part of the deductible amount as has been paid by the company.

Coverage	Amount of Deductibles as a result of any one occurrence
Property Damage Liability	
Automobiles	$10,000
Other than Automobiles	$ 250

4. EXCLUSIONS:
The provisions of this endorsement do not apply:
(a) To Fire fighting expenses except as provided for in Paragraph 1 (b) above; nor
(b) To damage to or destruction of property leased or rented by or in the care, custody or control of the insured provided, however, that for the purpose of this insurance
(1) trucks, trailers or railroad cars, the property of others, while being loaded or unloaded, or
(2) timber lands and/or standing timber and/or felled and/or bucked timber, the property of others shall not be considered to be within the care, custody or control of the insured.

(c) To damage to or destruction of property of others in the possession of the insured for sale, storage, processing, safekeeping or repair; nor
(d) To damage to or destruction of property of others while being carried in or upon any vehicle in charge of the insured; nor
(e) To damage to a particular part of any property upon or with which operations are being performed by or on behalf of the Assured at the time of the injury to or destruction thereof, if restoration, repair or replacement thereof or there to is made necessary by faulty, improper or defective work thereon by or on behalf of the Assured.

5. PREMIUM COMPUTATION:

Rate per $100 contract cost:	Subject to Retrospective	Discounted Excess to 100/200
Salvage	$ .64	$ .054
Others	.24	.024

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____ Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____ Authorized Representative

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LG1-621-004152-067
Issued to

Endorsement Serial No. 13

NURSES MALPRACTICE COVERAGE ENDORSEMENT

It is agreed that the Persons Insured's provision is amended to include any registered nurse employed by the named insured, as an insured, with respect to liability imposed by law on such nurse for damages arising out of the malpractice including error, mistake and omission of such nurse in the rendering of professional nursing services in the course of her employment with named insured.

The insurance does not apply to injury or death appearing from evidence to have arisen out of the performance of a criminal act or to have been caused by a person while under the influence of intoxicants or narcotics.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

Effective Date Expiration Date

Audit Basis

Premium $ Included in Composite Rate

For attachment to Policy or Bond No. LG1-621-004152-067

Issued to

Endorsement Serial No. 14

Work Hours Law Issued Sales Office & No.

DELETION OF CARE, CUSTODY AND CONTROL PROVISIONS WITH RESPECT TO LEASED OR RENTED PROPERTY

It is agreed that such insurance as is afforded by the Property Damage Liability Coverage shall also apply with respect to Property Damage to property occupied by, rented to, leased by or used by the insured subject to the following provisions:

1. Exclusion (i) of the policy does not apply with respect to the insurance afforded by this endorsement.

2. The insurance afforded by this endorsement does not apply insofar as such injury or destruction is due to normal wear and tear or normal depreciation or, except with respect to non-owned Timber Lands in or through which the named insured is conducting logging operations, is caused by the manufacturing or processing of such property.

3. The company's obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of $250. as a result of any one occurrence.

4. The terms of the policy, including those with respect to (a) the company's rights and duties with respect to the defense of suits and (b) the insured's duties in the event of an occurrence apply irrespective of the applications of the deductible amount.

5. The company may pay any part or all of the deductible amount to effect settlement of any claim or suit and, upon notification of the action taken, the named insured shall promptly reimburse the company for such part of the deductible amount as has been paid by the company.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy ~~or Bond~~ No. LG1-621-004152-067
Issued to

Endorsement Serial No. 15

DELETION OF CARE, CUSTODY AND CONTROL PROVISIONS WITH RESPECT TO AUTOMOBILES RENTED ON A SHORT TERM BASIS

It is agreed that such insurance as is afforded by the Property Damage Liability Coverage shall also apply with respect to all sums which the insured shall become legally obligated to pay as damages because of injury to or destruction of automobiles rented by or on behalf of the named insured, subject to the following provisions:

1. Exclusion (b) and (i) of the policy do not apply with respect to the insurance afforded by this endorsement.

2. The insurance afforded by this endorsement does not apply to damages due to wear and tear, freezing, mechanical or electrical breakdown or failure.

3. The company's obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of the deductible amounts shown below.

4. The terms of the policy, including those with respect to (a) the company's rights and duties with respect to the defense of suits and (b) the insured's duties in the event of an occurrence apply irrespective of the application of the deductible amount.

5. The company may pay any part or all of the deductible amount to effect settlement of any claim or suit and, upon notification of the action taken, the named insured shall promptly reimburse the company for such part of the deductible amount as has been paid by the company.

	Amount of Deductible as a result of any one occurrence
Private Passenger Cars and Pickup Trucks	$50.
Per Tractor, Per Semi-Trailer, Per Trailer	$100.
All Other Vehicles	$250.

The provisions of this endorsement do not apply to automobiles leased by the named insured for a period of thirty days or more.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LG1-621-004152-067
Issued to

Endorsement Serial No. 16

Local Agent's Name & Sales Office & No.

DELETION OF CARE, CUSTODY AND CONTROL PROVISIONS WITH RESPECT TO "PIGGY BACK" TRAILERS

It is agreed that such insurance as is afforded by the Property Damage Liability Coverage shall also apply to Property Damage to so called "Piggy Back" Trailers or semi-trailers for use on railroad cars for which the named insured has assumed liability for loss or damages while in the possession of the named insured or in the possession of an agent of the named insured.

Exclusion (b) and (i) of the policy do not apply with respect to the insurance afforded by this endorsement.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

Effective Date — Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LG1-621-004152-067
Issued to

Endorsement Serial No. 17

DELETION OF CARE, CUSTODY AND CONTROL PROVISIONS WITH RESPECT TO SPECIFIED "CHASSIS AND CONTAINERS"

It is agreed that such insurance as is afforded by the Property Damage Liability Coverage shall also apply with respect to injury or destruction of Chassis and Containers as set forth in Rule 17 of Matson Navigation Company's Container Freight Tariff No. 14 which is the subject to contract between the named insured and Matson Navigation Company, subject to the following provisions:

1. Exclusion (b) and (i) of the policy do not apply with respect to the insurance afforded by this endorsement.

2. The insurance afforded by this endorsement does not apply to damages due to wear and tear, freezing, mechanical or electrical breakdown or failure.

3. The company's obligation to pay as damages on behalf of the insured applies only to the amount of damages in excess of $250 as the result of one occurrence.

4. The terms of the policy, including those with respect to (a) the company's rights and duties with respect to the defense of suits and (b) the insured's duties in the event of an occurrence apply irrespective of the application of the deductible amount.

5. The company may pay any part or all of the deductible amount to effect settlement of any claim or suit and, upon notification of the action taken, the named insured shall promptly reimburse the company for such part of the deductible amounts as has been paid by the company.

6. Limits of Liability $10,000.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Secretary Frank L. Farwell President

Countersigned by _____
Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Secretary Frank L. Farwell President

Countersigned by _____
Authorized Representative

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy ~~or Bond~~ No. LG1-621-004152-067
Issued to

Endorsement Serial No. 18

Issued Sales Office & No.

AMENDATORY ENDORSEMENT

It is agreed the Bodily Injury Liability and Property Damage Liability Coverage applies to liability for damages in direct consequences of any error, omission or defect in architectural designs, plans or specification prepared, acquired or used by the following:

Lewers & Cooke Merchandise Corporation
Lewers & Cooke Development Corporation, Division of
U.S. Plywood-Champion Papers Inc.
Setter Division of U.S. Plywood-Champion Papers Inc.
Weldwood Structures Corporation
Unipac Operations

It is further agreed that such insurance shall not be subject to the provisions of the Deductible Liability Insurance Endorsement.

The insurance afforded by this endorsement does not apply to additions to, remodeling, demolishing or rebuilding of any structure as a result of error or omission or defect in architectural design which error, omission or defect does not result in an occurrence.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LG1-621-004152-067
Issued to

Endorsement Serial No. 19

AMENDATORY ENDORSEMENT

It is agreed that named insured is amended to include all Joint Ventures entered into by U.S. Plywood-Champion Papers Inc. in which there is more than fifty per cent (50%) ownership by U.S. Plywood-Champion Papers Inc.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LG1-621-004152-067
Issued to

Endorsement Serial No. 20

Issued Sales Office & No.

EXCLUSION ENDORSEMENT

It is agreed that such insurance as is afforded by the policy does not apply to:

McCloud River Railroad Company and/or
McCloud River Trucking Company
Barbero Marine Lines, a Corporation and
N.T.S. Inc.
Weldwood of Canada Limited
Weldwood of Canada Sales Limited
Setter Bros. (Canada) Limited
Cariboo Pulp & Paper Company Limited

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LG1-621-004152-067
Issued to

Endorsement Serial No. 21

Issued Sales Office & No.

AMENDATORY ENDORSEMENT

It is agreed that the insurance provided by this policy will not apply to the following Joint Venture.

U.S. Plywood-Champion Papers Inc.
and Maltese Apartments, Joint Venture.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
Authorized Representative

Effective Date Expiration Date
Audit Basis 8
Premium $
For attachment to Policy or Bond No. LG1-621-004152-067
Issued to

Endorsement Serial No. 22

Agent Sales Office & No.

AMENDATORY ENDORSEMENT

It is agreed that such insurance as is afforded by this policy shall not apply to operations of the former Champion Papers Inc. or its subsidiary, associated or affiliated companies.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LG1-621-004152-067
Issued to

Endorsement Serial No. 23

JA 528

(1)

INTERPRETIVE ENDORSEMENT

It is agreed that the definition of "damages" shall be interpreted to include fire fighting expenses incurred by other than the insured for which the insured shall become legally obligated to pay because of property damage.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

Effective Date — Expiration Date

Audit Basis

Premium $

For attachment to Policy ~~or Bond~~ No. LG1-621-00[illegible]152-067

Issued to

Endorsement Serial No. 24

Issued — Sales Office & No.

AMENDATORY ENDORSEMENT

It is agreed that such insurance as is afforded by the policy does not apply with respect to any loss for which insurance is afforded under any property issued to the named insured by the company.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by C. W. [illegible], Authorized Representative

Effective Date — Expiration Date

Audit Basis

Premium $

For attachment to Policy or Bond No. LGI-621-004152-067

Issued to

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

Endorsement Serial No. 25

AMENDMENT OF ASSUALT AND BATTERY CONDITION OF THE POLICY

It is agreed that assualt and battery committed for the purposes of protecting the property of the named insured shall be deemed an occurrence whether or not committed by or at the direction of the insured, and exclusion (a) of endorsement titled Additional Insured's - Employees is hereby amended.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Brua E. Boorman Secretary Frank L. Farwell President

Countersigned by C W Jones Jr. Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPAN

Brua E. Boorman Secretary Frank L. Farwell President

Countersigned by _____ Authorized Representative

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy or ~~Bond~~ No. LG1-621-004152-067
Issued to

Endorsement Serial No. 26

Issued Sales Office & No.

JA 531

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

ALL INSURANCE EXCEPT TO THE EXTENT OTHERWISE SPECIFICALLY STATED BELOW OR IN THE POLICY

COMPOSITE RATING PLAN

It is agreed that:

1. All premiums for this policy shall be computed on the following basis:

"Total Payroll" means all payments by the named insured in cash or substitute therefor during the policy period to all executive officers and other employees of the named insured, subject:

(a) to any overtime earnings or limitations of remuneration rule applicable in accordance with the Workmen's Compensation manuals in use of the company

(b) with respect to each executive officer, to the maximum and minimum amounts applicable in accordance with such manuals.

2. If under Coverage B — Property Damage Liability — an aggregate limit of the company's liability applies with respect to premises or operations rated on a remuneration basis or contractor's equipment rated on a receipts basis, such aggregate limit applies to all premises, operations and contractor's equipment rated on the basis set forth in paragraph 1. above.

LIBERTY MUTUAL INSURANCE COMPANY

Premium $

Effective Date
Expiration Date
Audit Basis
For attachment
to Policy No. LG1-621-004152-067
Issued to

Frank L. Farwell
PRESIDENT

Bruce E. Boorman
SECRETARY

Countersigned by ..... Authorized Representative

L-G6003 (10-1-66)
LC LG

Endorsement No. 27

RESIDENT AGENT COUNTERSIGNATURE ENDORSEMENT

In order to comply with the Resident Agents Laws of the State of Louisiana, the countersignature hereto is to be considered the valid countersignature to the undermentioned Policy, insofar as concerns that portion of the Risk located in said State.

It is further understood and agreed that the following form or forms of Endorsements attached to and made a part of this Policy shall apply to that portion of the Risk located in the State of Louisiana:

See Extension Schedule

LIBERTY MUTUAL INSURANCE COMPANY

Frank L. Farwell
PRESIDENT

Effective Date
Expiration Date
Audit Basis

For attachment
to Policy No. LG1-621-004152-067

Issued to

Bruce E. Boorman
SECRETARY

Countersigned by H. R. Garner
AUTHORIZED REPRESENTATIVE

652
Louisiana
PRINTED IN U.S.A.

Issued

Sales Office and No.

End. Serial No. 28

	No.
General Amendatory Endorsement	1
Contractual Liability Endorsement	2
Watercraft Endorsement	7
Deductible Liability Insurance Endorsement	8
Additional Insured (Vendors)	9
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AMENDATORY ENDORSEMENT

It is agreed that "damages" includes loss of consortium of a husband or wife resulting from personal injury arising out of and in the course of the spouses employment by the named insured.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LG1-621-004152-067
Issued to

Endorsement Serial No. 29

Sales Office & No.

AMENDATORY ENDORSEMENT

It is agreed that such insurance as is afforded by the policy for U.S. Plywood-Champion Papers Inc., William B. Lane, Art Freeman & Hacker, Rammel & Co., a Joint Venture doing business as: Barranca Vista shall be excess over Policy AOP 12Y872 issued by the Insurance Company of North America, and having limits of liability of:

Bodily Injury	25,000	each person
	25,000	each occurrence
	25,000	aggregate
Property Damage	25,000	each occurrence
	25,000	aggregate

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Brua E. Boorman Secretary Frank L. Farwell President

Countersigned by _____ Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Brua E. Boorman Secretary Frank L. Farwell President

Countersigned by _____ Authorized Representative

Effective Date Expiration Date

Audit Basis

Premium $

For attachment to Policy or Bond No. LG1-621-004152-067

Issued to

Endorsement Serial No. 30

Work Units 1 – Issued Sales Office & No.

NOTARY PUBLIC LIABILITY ENDORSEMENT

It is agreed that such insurance as is afforded by the policy shall also apply to any Notary Public while acting in his professional capacity, for the liability imposed upon him by law for damages arising out of the performance of services as a Notary Public for U.S. Plywood-Champion Papers Inc. and caused by any negligent act, error or omission.

The insurance does not apply to any dishonest, or fraudulent act, error or omission of the Notary Public.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LG1-621-004152-067
Issued to

Endorsement Serial No. 31

Issued Sales Office & No.

RETROSPECTIVE PREMIUM ENDORSEMENT — PLAN (D)

Short Form

It is agreed that the premium for the policy shall be computed in accordance with the provisions of Retrospective Premium Endorsement — Plan D forming a part of policy WC1-621-004152-056

LIBERTY MUTUAL INSURANCE COMPANY

Frank L. Farwell
PRESIDENT

Bruce E. Bowman
SECRETARY

Effective Date
Expiration Date
Audit Basis
For attachment
to Policy No. LG1-621-004152-067

Issued to

Countersigned by .....
AUTHORIZED REPRESENTATIVE

2212
(12-1-56)

Issued

Sales Office and No.

End. Serial No. 32

RETROSPECTIVE PREMIUM ENDORSEMENT — PLAN (D)
SHORT FORM

It is agreed that the premium for the policy shall be computed in accordance with the provisions of Retrospective Premium Endorsement — Plan D forming a part of policy LG1-621-004052-066

It is further agreed that as of the effective date of this endorsement the corresponding factors or multipliers in said Retrospective Premium Endorsement are as indicated below:

STATE TAX MULTIPLIERS AND EXCESS LOSS PREMIUM FACTORS

Name of State	Workmen's Compensation		Automobile Liability	General Liability	Automobile Physical Damage
	Tax Multiplier	Excess Loss Premium Factor	Tax Multiplier	Tax Multiplier	Tax Multiplier

Combined Automobile and General Liability Excess Loss Premium Factor (all states) _____

Automobile Physical Damage Excess Loss Premium Factor (all states) _____

Liability Policy Number	Line	(1) Total Estimated Policy Premiums for States Subject to Plan D	(2) Total Estimated Plan D Standard Premiums	Excess Factors (1) — (2) ÷ (1) B.I. & P.D.
All LG Policies		to be determined		.199
All Auto Liability Policies		to be determined		.244

Effective Date
Expiration Date
Audit Basis
For attachment
to Policy No. LG1-621-004152-067

Issued to

LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Bowman, Secretary — Frank L. Farwell, President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

2241
(6-1-60)

Issued

Sales Office and No.

End. Serial No. 33

COUNTERSIGNATURE OF RESIDENT AGENT

The policy identified below, of which this endorsement forms a part, is hereby countersigned with respect to all portions of the risk located in the state in which the Resident Agent resides.

Policy Number: LG1-621-004152-037
Name of Policyholder:

Address:

Countersigned by [signature]
(Resident Agent of Liberty Mutual Insurance Company)

Sales Office

1710
PRINTED IN U.S.A.

California
(State)

Sales Office

1710
PRINTED IN U.S.A.

Florida
(State)

Sales Office

1710
PRINTED IN U.S.A.

(State)

Sales Office

1710
PRINTED IN U.S.A.

Ohio
(State)

Sales Office 202

1710
PRINTED IN U.S.A.

Nevada
(State)

EXHIBIT

Comprehensive General Liability Policy for Period October 31, 1965 to October 31, 1966 Issued by Liberty Mutual Insurance Company to U.S. Plywood-Champion Papers, Inc.

(Pages JA541 to JA582)

JA 541

Comprehensive General Liability Policy

DECLARATIONS

LIBERTY MUTUAL INSURANCE COMPANY

BOME OFFICE BOSTON

Policy No.		Sales Office	Code	Salesman	Code	N/R Code	1st Year This Policy
LP1 -621 [illegible]152-065	TD 93	New York	202	Williams	6407	2	50

Item 1. Named Insured United States Plywood Corporation and as per Endorsement No. 1

Address 777 Third Ave., New York, N.Y. 10017
No. Street Town or City Postal Zone No. State

☐ Individual ☐ Partnership ☒ Corporation ☐ ..... (other)

Business of the named insured is

Item 2. Policy Period: From Mo. 10 Day 31 Year 65 to Mo. 10 Day 31 Year 66
12:01 A.M., standard time at the address of the insured as stated herein.

Item 3. Insurance is afforded for Bodily Injury and Property Damage
The limit of the company's liability against each such coverage shall be as stated herein, subject to all the terms of this policy having reference thereto.

COVERAGES	LIMITS OF LIABILITY	
A — BODILY INJURY LIABILITY	$ 100,000	each person
	$ 200,000	each accident
	$ 200,000	aggregate products
B — PROPERTY DAMAGE LIABILITY	$ 100,000	each accident
	$ 200,000	aggregate operations
	$ 200,000	aggregate protective
	$ 200,000	aggregate products
*As per Endorsement No. 6	$ 200,000	aggregate contractual

Audit Basis: At Expiration ☐ Annual ☐ Semi-Annual ☐ Quarterly ☐ Monthly ☒

Item 4. Computation of Premiums The rating classification used for this policy does not modify the exclusions or other terms of the policy.

Classification and Locations	Code No.	Premium Base: Payroll	Rates Per $100 of Payroll: Bodily Injury Liability	Rates Per $100 of Payroll: Property Damage Liability	Advance Premiums: Bodily Injury Liability Code 318 X	Advance Premiums: Property Damage Liability Code 338X
All operations of the named insured						
Calif.	9880	18,121,500	.215	+ .140	38,961.	25,370.
La.	9880	181,400	.215	.140	390.	254.
N.Y.	9880	5,338,500	.215	.140	11,478.	7,474.
N.C.	9880	743,200	.215	.140	1,598.	1,040.
Tex.	9000	861,000	.215	.140	1,851.	1.205.
Va.	9880	1,490,100	.215	.140	3,204	2,086.
All Other	9880	46,161,600	+ .196	+ .128 .324	90,477.	59,087.
		✓ 72,900,300				
End. No. 24						15.
End. No. 26						100.
GPO 234					147,959.	96,631.

MINIMUM PREMIUMS:	Bodily Injury Liability	Property Damage Liability		
	$	$	Total Annual Premium	✓ 244,590.00
			TOTAL DEPOSIT PREMIUM	61,148.00

The policy, including all endorsements issued therewith, is hereby countersigned by C W Greenlaw Jr
Authorized Representative

Work Units	Typed by	Date	Audit Basis	Periodic Payment	Rating Basis	Pol. H. G.	Home State	Renewal of
1— 16	[illegible]	1-24-66	8	$16,677.00	☒ R ☐ NR	☐ S	N.Y.	LP1-[illegible]

UA 342

PREHENSIVE GENERAL LIABILITY POLICY

LIBERTY MUTUAL
INSURANCE COMPANY
HOME OFFICE BOSTON
The Company that stands by you

PROMPT INSURANCE SERVICE — CALL YOUR SERVICE OFFICE

THIS POLICY IS CLASSIFIED IN DIVIDEND CLASS 1
GENERAL CLASS

13

The named insured is hereby notified that by virtue of this policy he is a member of Liberty Mutual Insurance Company and is entitled to vote either in person or by proxy at any and all meetings of said company.

The annual meetings are held at its home office, Boston, Massachusetts, on the second Wednesday of April in each year, at eleven o'clock in the morning.

Plymouth

(A mutual insurance company, herein called the company)

rees with the insured, named in the declarations made a part hereof, in consideration of the payment of the premium and reliance upon the statements in the declarations and subject to the limits of liability, exclusions, conditions and other terms this policy:

INSURING AGREEMENTS 10-31-65-66

verage A — BODILY INJURY LIABILITY To pay behalf of the insured all sums which the insured shall ome legally obligated to pay as damages because of bodily ury, sickness or disease, including death at any time resulting therefrom, sustained by any person and caused by accident.

verage B — PROPERTY DAMAGE LIABILITY pay on behalf of the insured all sums which the insured ll become legally obligated to pay as damages because of ury to or destruction of property, including the loss of thereof, caused by accident.

FENSE, SETTLEMENT, SUPPLEMENTARY PAYENTS With respect to such insurance as is afforded by s policy, the company shall:

defend any suit against the insured alleging such injury, sickness, disease or destruction and seeking damages on account thereof, even if such suit is groundless, false or fraudulent; but the company may make such investigation, negotiation and settlement of any claim or suit as it deems expedient;

(1) pay all premiums on bonds to release attachments for an amount not in excess of the applicable limit of liability of this policy, all premiums on appeal bonds required in any such defended suit, but without any obligation to apply for or furnish any such bonds;

(2) pay all expenses incurred by the company, all costs taxed against the insured in any such suit and all interest accruing after entry of judgment until the company has paid or tendered or deposited in court such part of such judgment as does not exceed the limit of the company's liability thereon;

(3) pay expenses incurred by the insured for such immediate medical and surgical relief to others as shall be imperative at the time of the accident;

(4) reimburse the insured for all reasonable expenses, other than loss of earnings, incurred at the company's request;

and the amounts so incurred, except settlements of claims and suits, are payable by the company in addition to the applicable limit of liability of this policy.

III **DEFINITION OF INSURED** The unqualified word "insured" includes the named insured and also includes any executive officer, director or stockholder thereof while acting within the scope of his duties as such, and any organization or proprietor with respect to real estate management for the named insured. If the named insured is a partnership, the unqualified word "insured" also includes any partner therein but only with respect to his liability as such.

IV **POLICY PERIOD, TERRITORY** This policy applies only to accidents which occur during the policy period within the United States of America, its territories or possessions, or Canada.

EXCLUSIONS

is policy does not apply:

) to liability assumed by the insured under any contract or agreement except (1) a contract as defined herein or (2) as respects the insurance which is afforded for the Products Hazard as defined, a warranty of goods or products;

) to any obligation for which the insured may be held liable in an action on a contract or an agreement by a person not a party thereto;

) except with respect to operations performed by independent contractors and except with respect to liability assumed by the insured under a contract as defined herein, to the ownership, maintenance, operation, use, loading or unloading of (1) watercraft if the accident occurs away from premises owned by, rented to or controlled by the named insured, except insofar as this part of this exclusion is stated in the declarations to be inapplicable, (2) automobiles if the accident occurs away from such premises or the ways immediately adjoining, or (3) aircraft;

(d) to injury, sickness, disease, death or destruction due to war, whether or not declared, civil war, insurrection, rebellion or revolution, or to any act or condition incident to any of the foregoing, with respect to (1) liability assumed by the insured under any contract or agreement or (2) expenses under Insuring Agreement II (b) (3);

(e) to liability imposed upon the insured or any indemnitee as a person or organization engaged in the business of manufacturing, selling or distributing alcoholic beverages, or as an owner or lessor of premises used for such purposes, by reason of any statute or ordinance pertaining to the sale, gift, distribution or use of any alcoholic beverage;

(f) under coverage A, to any obligation for which the insured or any carrier as his insurer may be held liable under any workmen's compensation, unemployment compensation or disability benefits law, or under any similar law;

(g) under coverage A, except with respect to liability as-

sumed by the insured under a contract as defined herein, to bodily injury to or sickness, disease or death of any employee of the insured arising out of and in the course of his employment by the insured;

(h) under coverage B, to injury to or destruction of (1) property owned or occupied by or rented to the insured, or (2) except with respect to liability under sidetrack agreements covered by this policy, property used by the insured, or (3) except with respect to liability under such sidetrack agreements or the use of elevators or escalators at premises owned by, rented to or controlled by the named insured, property in the care, custody or control of the insured or property as to which the insured for any purpose is exercising physical control, or (4) any goods, products or containers thereof manufactured, sold, handled or distributed or premises alienated by the named insured, or work completed by or for the named insured, out of which the accident arises;

(i) under coverage B, to injury to or destruction of buildings or property therein, wherever occurring, arising out of any of the following causes, if such cause occurs on or from premises owned by or rented to the named insured: (1) the discharge, leakage or overflow of water or steam from plumbing, heating, refrigerating or air-conditioning systems, standpipes for firehose, or industrial or domestic appliances, or any substance from automatic sprinkler systems, (2) the collapse or fall of tanks or the component parts or supports thereof which form a part of automatic sprinkler systems, or (3) rain or snow admitted directly to the building interior through defective roofs, leaders or spouting, or open or defective doors, windows, skylights, transoms or ventilators; but this exclusion does not apply to loss due to fire, to the use of elevators or escalators or to operations performed by independent contractors;

(j) under coverage B, to injury to or destruction of any property arising out of (1) blasting or explosion, other than the explosion of air or steam vessels, piping under pressure, prime movers, machinery or power transmitting equipment, or (2) the collapse of or structural injury to any building or structure due (a) to grading of land, excavation, borrowing, filling, back-filling, tunneling, pile driving, coffer-dam work or caisson work, or (b) to moving, shoring, underpinning, raising or demolition of any building or structure or removal or rebuilding of any structural support thereof; provided, however, this exclusion does not apply with respect to liability assumed by the insured under any contract covered by this policy, to operations performed for the named insured by independent contractors or to completed or abandoned operations within the meaning of paragraph 2 of the Products Hazard, and provided further that part (1) or part (2) of this exclusion does not apply to operations stated, in the declarations or in the company's manual, as not subject to such part of this exclusion;

(k) under coverage B, to injury to or destruction of wires, conduits, pipes, mains, sewers or other similar property, or any apparatus in connection therewith, below the surface of the ground, if such injury or destruction is caused by and occurs during the use of mechanical equipment for the purpose of grading of land, paving, excavating or drilling, or to injury to or destruction of property at any time resulting therefrom; provided, however, this exclusion does not apply with respect to liability assumed by the insured under any contract covered by this policy, to operations performed for the named insured by independent contractors, to completed or abandoned operations within the meaning of paragraph 2 of the Products Hazard, or to operations stated, in the declarations or in the company's manual, as not subject to this exclusion.

CONDITIONS

1 PREMIUM The premium bases and rates for the hazards described in the declarations are stated therein. Premium bases and rates for hazards not so described are those applicable in accordance with the manuals in use by the company.

The advance premium stated in the declarations is an estimated premium only. Upon termination of this policy, the earned premium shall be computed in accordance with the company's rules, rates, rating plans, premiums and minimum premiums applicable to this insurance. If the earned premium thus computed exceeds the estimated advance premium paid, the named insured shall pay the excess to the company; if less, the company shall return to the named insured the unearned portion paid by such insured.

When used as a premium basis:

(1) the word "admissions" means the total number of persons, other than employees of the named insured, admitted to the event insured or to events conducted on the premises whether on paid admission tickets, complimentary tickets or passes;

(2) the word "cost" means the total cost to (a) the named insured with respect to operations performed for the named insured during the policy period by independent contractors, or (b) any indemnitee with respect to any contract covered by this policy, of all work let or sublet in connection with each specific project, including the cost of all labor, materials and equipment furnished, used or delivered for use in the execution of such work, whether furnished by the owner, contractor or subcontractor, including all fees, allowances, bonuses or commissions made, paid or due;

(3) the word "receipts" means the gross amount of money charged by the named insured for such operations by the named insured or by others during the policy period as are rated on a receipts basis other than receipts from telecasting, broadcasting or motion pictures, and includes taxes, other than taxes which the named insured collects as a separate item and remits directly to a governmental division;

(4) the word "remuneration" means the entire remuneration earned during the policy period by proprietors and by all employees of the named insured, other than drivers of teams or automobiles and aircraft pilots and co-pilots, subject to any overtime earnings or limitation of remuneration rule applicable in accordance with the manuals in use by the company;

(5) the word "sales" means the gross amount of money charged by the named insured or by others trading under his name for all goods and products sold or distributed during the policy period and charged during the policy period for installation, servicing or repair, and includes taxes, other than taxes which the named insured and such others collect as a separate item and remit directly to a governmental division.

The named insured shall maintain for each hazard records of the information necessary for premium computation on the basis stated in the declarations, and shall send copies of such records to the company at the end of the policy period and at such times during the policy period as the company may direct.

2 **INSPECTION AND AUDIT** The company shall be permitted to inspect the insured premises, operations and elevators and to examine and audit the insured's books and records at any time during the policy period and any extension thereof and within three years after the final termination of this policy, as far as they relate to the premium bases or the subject matter of this insurance.

3 **DEFINITIONS (a) Contract** The word "contract" means, if in writing, a lease of premises, easement agreement, agreement required by municipal ordinance, sidetrack agreement, or elevator or escalator maintenance agreement.

(b) Automobile The word "automobile" means a land motor vehicle, trailer or semitrailer, provided:

(1) the following described equipment shall be deemed an automobile while towed by or carried on an automobile not so described, but not otherwise: if of the crawler-type, any tractor, power crane or shovel, ditch or trench digger; any farm-type tractor; any concrete mixer other than of the mix-in-transit type; any grader, scraper, roller or farm implement; and, if not subject to motor vehicle registration, any other equipment not specified in (2) below, which is designed for use principally off public roads.

(2) The following described equipment shall be deemed an automobile while towed by or carried on an automobile as above defined solely for purposes of transportation or while being operated solely for locomotion, but not otherwise: if of the non-crawler type, any power crane, or shovel, ditch or trench digger; and any air-compressing, building or vacuum cleaning, spraying or welding equipment or well drilling machinery.

(c) Products Hazard The term "products hazard" means

(1) goods or products manufactured, sold, handled or distributed by the named insured or by others trading under his name, if the accident occurs after possession of such goods or products has been relinquished to others by the named insured or by others trading under his name and if such accident occurs away from premises owned, rented or controlled by the named insured or on premises for which the classification stated in division 1 of the declarations excludes any part of the foregoing; provided, such goods or products shall be deemed to include any container thereof, other than a vehicle, but shall not include any vending machine or any property, other than such container, rented to or located for use of others but not sold;

(2) operations, if the accident occurs after such operations have been completed or abandoned and occurs away from premises owned, rented or controlled by the named insured; provided, operations shall not be deemed incomplete because improperly or defectively performed or because further operations may be required pursuant to an agreement; provided further, the following shall not be deemed to be "operations" within the meaning of this paragraph: (a) pick-up or delivery, except from or onto a railroad car, (b) the maintenance of vehicles owned or used by or in behalf of the insured, (c) the existence of tools, uninstalled equipment and abandoned or unused materials and (d) operations for which the classification stated in division 1 of the declarations specifically includes completed operations.

(d) Assault and Battery Assault and battery shall be deemed an accident unless committed by or at the direction of the insured.

LIMITS OF LIABILITY — Coverage A The limit of bodily injury liability stated in the declarations as applicable to "each person" is the limit of the company's liability for all damages, including damages for care and loss of services, arising out of bodily injury, sickness or disease, including death at any time resulting therefrom, sustained by one person as the result of any one accident; the limit of such liability stated in the declarations as applicable to "each accident" is, subject to the above provision respecting each person, the total limit of the company's liability for all damages, including damages for care and loss of services, arising out of bodily injury, sickness or disease, including death at any time resulting therefrom, sustained by two or more persons as the result of any one accident. 4

LIMITS OF LIABILITY — Products Subject to the limit of liability with respect to "each accident", the limits of bodily injury liability and property damage liability stated in the declarations as "aggregate products" are respectively the total limits of the company's liability for all damages arising out of the products hazard. All such damages arising out of one lot of goods or products prepared or acquired by the named insured or by another trading under his name shall be considered as arising out of one accident. 5

LIMITS OF LIABILITY — Coverage B The limit of property damage liability stated in the declarations as applicable to "each accident" is the total limit of the company's liability for all damages arising out of injury to or destruction of all property of one or more persons or organizations, including the loss of use thereof, as the result of any one accident. 6

Subject to the limit of liability with respect to "each accident", the limit of property damage liability stated in the declarations as "aggregate operations" is the total limit of the company's liability for all damages arising out of injury to or destruction of property, including the loss of use thereof, caused by the ownership, maintenance or use of pre[illegible]s

or operations rated on a remuneration premium basis or by contractors' equipment rated on a receipts premium basis.

Subject to the limit of liability with respect to "each accident", the limit of property damage liability stated in the declarations as "aggregate protective" is the total limit of the company's liability for all damages arising out of injury to or destruction of property, including the loss of use thereof, caused by operations performed for the named insured by independent contractors or general supervision thereof by the named insured, except (a) maintenance and repairs at premises owned by or rented to the named insured and (b) structural alterations at such premises which do not involve changing the size of or moving buildings or other structures.

Subject to the limit of liability with respect to "each accident", the limit of property damage liability stated in the declarations as "aggregate contractual" is the total limit of the company's liability for all damages arising out of injury to or destruction of property, including the loss of use thereof, with respect to liability assumed by the insured under contracts covered by this policy in connection with operations for which there is an "aggregate operations" limit of property damage liability stated in the declarations.

The limits of property damage liability stated in the declarations as "aggregate operations", "aggregate protective" and "aggregate contractual" apply separately to each project with respect to operations being performed away from premises owned by or rented to the named insured.

7 **SEVERABILITY OF INTERESTS** The term "the insured" is used severally and not collectively, but the inclusion herein of more than one insured shall not operate to increase the limits of the company's liability.

8 **NOTICE OF ACCIDENT** When an accident occurs written notice shall be given by or on behalf of the insured to the company or any of its authorized agents as soon as practicable. Such notice shall contain particulars sufficient to identify the insured and also reasonably obtainable information respecting the time, place and circumstances of the accident, the names and addresses of the injured and of available witnesses.

9 **NOTICE OF CLAIM OR SUIT** If claim is made or suit is brought against the insured, the insured shall immediately forward to the company every demand, notice, summons or other process received by him or his representative.

0 **ASSISTANCE AND COOPERATION OF THE INSURED** The insured shall cooperate with the company and, upon the company's request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of suits. The insured shall not, except at his own cost, voluntarily make any payment, assume any obligation or incur any expense other than for such immediate medical and surgical relief to others as shall be imperative at the time of accident.

1 **ACTION AGAINST COMPANY** No action shall lie against the company unless, as a condition precedent thereto, the insured shall have fully complied with all the terms of this policy, nor until the amount of the insured's obligation to pay shall have been finally determined either by judgment against the insured after actual trial or by written agreement of the insured, the claimant and the company.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. Nothing contained in this policy shall give any person or organization any right to join the company as a co-defendant in any action against the insured to determine the insured's liability.

Bankruptcy or insolvency of the insured or of the insured's estate shall not relieve the company of any of its obligations hereunder.

OTHER INSURANCE If the insured has other insurance against a loss covered by this policy the company shall not be liable under this policy for a greater proportion of such loss than the applicable limit of liability stated in the declarations bears to the total applicable limit of liability of all valid and collectible insurance against such loss. 12

SUBROGATION In the event of any payment under this policy, the company shall be subrogated to all the insured's rights of recovery therefor against any person or organization and the insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The insured shall do nothing after loss to prejudice such rights. 13

CHANGES Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this policy or estop the company from asserting any right under the terms of this policy; nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy, signed by the President or a Vice-President and the Secretary or an Assistant Secretary of the company and, if such signatures are facsimile signatures, countersigned by a duly authorized representative of the company. 14

ASSIGNMENT Assignment of interest under this policy shall not bind the company until its consent is endorsed hereon; if, however, the named insured shall die, this policy shall cover the named insured's legal representative as named insured; provided that notice of cancelation addressed to the insured named in the declarations and mailed to the address shown in this policy shall be sufficient notice to effect cancelation of this policy. 15

CANCELATION This policy may be canceled by the named insured by mailing to the company written notice stating when thereafter the cancelation shall be effective. This policy may be canceled by the company by mailing to the named insured at the address shown in this policy written notice stating when not less than ten days thereafter such cancelation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The effective date of cancelation stated in the notice shall become the end of the policy period. Delivery of such written notice either by the named insured or by the company shall be equivalent to mailing. 16

If the named insured cancels, earned premium shall be computed in accordance with the customary short rate table and procedure. If the company cancels, earned premium shall be computed pro rata. Premium adjustment may be made either at the time cancelation is effected or as soon as practicable after cancelation becomes effective, but payment or tender of unearned premium is not a condition of cancelation.

DECLARATIONS By acceptance of this policy the named insured agrees that the statements in the declarations are his agreements and representations, that this policy is issued in reliance upon the truth of such representations and that this policy embodies all agreements existing between himself and the company or any of its agents relating to this insurance.

MUTUAL POLICY CONDITIONS This policy is non-assessable. The policyholder is a member of the company and shall participate, to the extent and upon the conditions fixed and determined by the board of directors in accordance with the provisions of law, in the distribution of dividends, so fixed and determined.

In witness whereof, the company has caused this policy to be signed by its President and its Secretary at Boston, Massachusetts, and countersigned on the declarations page by a duly authorized representative of the company.

Bruce E. Boorman
SECRETARY

Frank L. Farwell
PRESIDENT

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT
(Broad Form)

It is agreed that the policy does not apply:

I. Under any Liability Coverage, to injury, sickness, disease, death or destruction

(a) with respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(b) resulting from the hazardous properties of nuclear material and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

II. Under any Medical Payments Coverage, or under any Supplementary Payments provision relating to immediate medical or surgical relief, to expenses incurred with respect to bodily injury, sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.

III. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if

(a) the nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom;

(b) the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or

(c) the injury, sickness, disease, death or destruction arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (c) applies only to injury to or destruction of property at such nuclear facility.

IV. As used in this endorsement:

"hazardous properties" include radioactive, toxic or explosive properties;

"nuclear material" means source material, special nuclear material or byproduct material;

"source material", **"special nuclear material"**, and **"byproduct material"** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor;

"waste" means any waste material (1) containing byproduct material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof;

(Continued on Page 2)

"nuclear facility" means

(a) any nuclear reactor,

(b) any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste,

(c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,

(d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

"nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

With respect to injury to or destruction of property, the word **"injury"** or **"destruction"** includes all forms of radioactive contamination of property.

LIBERTY MUTUAL INSURANCE COMPANY

Premium $

Effective Date
Expiration Date
Audit Basis
For attachment
to Policy No.

Issued to

Frank L. Farwell
PRESIDENT

George A. Potter
SECRETARY

C W Spencer Jr
Countersigned by _____
AUTHORIZED REPRESENTATIVE

Issued

Endorsement Serial No.

2234
MB A&G 661A
10-1-59

AMENDATORY ENDORSEMENT

It is agreed that such insurance as is afforded by the policy is subject to the following provisions:

1. Named Insured
The name of the insured as shown in Item 1 of the declarations is amended to read: "The United States Plywood Corporation and all subsidiary companies in which there is more than 50% ownership and financial control."

2. Exclusion of Subsidiaries
The insurance provided by this policy does not apply to Weldwood of Canada, Limited; Setter Bros. (Canada), Limited; & Canadian Collieries Resources, Limited, operating as the Canadian Subsidiaries of the named insured.

3. Personal Injury
The words "personal injury" are substitued for the words "bodily injury" in Insuring Agreement I, Coverage A, Bodily Injury Liability, and elsewhere throughout the policy except in Exclusion (g) of the policy, and (1) of the policy as hereinafter added.

4. Coverage A & B Substitution of "occurrence" for "Accident" with respect to Coverage A - Personal Injury Liability and Coverage B - Property Damage Liability, the word "occurrence" as defined herein is substituted for the word "accident" wherever the latter appears in the policy.

The word "occurrence" means an unexpected happening or event, or a continuous or repeated exposure to conditions which results in injury during the policy period, provided the insured did not know or intend that injury would result. All damages arising out of such exposure to substantially the same general conditions shall be considered as arising out of one occurrence.

This paragraph does not apply in the State of Louisiana.

5. Definition of Insured
Insuring Agreement III is amended to read:
"The unqualified word "insured" includes the named insured and also includes:

(a) any partner, executive officer, director or stockholder thereof while acting within the scope of his duties as such; and

(b) the owner or lessor (and the agents or legal representative of such owner or lessor) of premises rented to, leased to or occupied by the named insured, but only if and to the extent required by any lease agreement entered into by the named insured with such owner or lessor."

6. Policy Period, Territory
Insuring Agreement IV is amended to read:
"The policy applies only to occurrences during the policy period. If claim is made or suit is brought elsewhere than within the United States of America, its territories or possessions, or Canada, the Company shall have the right but not the duty to investigate and settle such claims and defend such suits. In any case in which the company elects not to investigate, settle or defend, the insured, under the supervision of the Company, shall make or cause to be made such investigation and defense as are reasonably necessary, and, subject to prior authorization by the Company will effect

to the extent possible such settlement or settlements as the insured and the Company deem prudent. The company shall reimburse the insured for the reasonable costs of such investigation and defense and, within the applicable limits of liability of the policy, for the amount of such authorized settlements."

7. Deletion of
Third Party Beneficiary Exclusion
Liquor Law Exclusion
Explosion, Collapse Exclusion
Underground Damage Exclusion
Exclusions (b), (e), (j) and (k) are hereby deleted from the policy

8. Additional Exclusions
The policy does not apply:
(l) Under Coverage A, except with respect to bodily injury liability, to any advertising, radio or television broadcasting activities of or on behalf of the insured;
(m) to liability imposed on the insured by reason of any fair employment practice or anti-discrimination act, statute or ordinance;
(n) to infringement of any patent, copyright, trade name or trade mark;
(o) to liability arising out of plagiarism or trade practices held unfair or illegal under any state or federal law.

9. Definition of Contract
Condition 3 (a) is amended to read: (a) Contract - The word "contract" means any written agreement made in connection with the usual business operations of the insured.

10. Malpractice Coverage
Malpractice, error or mistake in rendering or failing to render medical, surgical, dental, X-ray, cosmetic, tonsorial or other professional or sanatory service or treatment shall be deemed an accident, and all malpractice, error or mistake in the rendering or omission of such service or treatments to any one person shall be deemed one accident.

Such insurance as is afforded by this provision applies only with respect to the named insured.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farrell, President

Countersigned by _____ Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farrell, President

Countersigned by _____ Authorized Representative

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LP1-621-004152-065
Issued to

Endorsement Serial No. 1

LIMITATION OF INSURANCE—NEW YORK REGISTERED MOTOR VEHICLES

It is agreed that:

1. In the exclusion of the policy pertaining to automobile accidents away from premises, the word "automobiles" means any automobile as defined in the policy and also includes, while in locomotion upon a public highway, any other motor vehicle subject to New York motor vehicle registration if the accident arises out of such locomotion.
2. Regardless of whether the accident occurs on or away from premises, the policy does not apply to the ownership, maintenance, operation, use, loading or unloading of any asphalt or tar spreader, concrete mixer, road grader, oiler, roller, scraper, combination dirt mover and scraper unit, or railroad, dock or industrial truck, registered in New York as a motor vehicle, but this exclusion does not apply to such insurance as is afforded by the policy with respect to (a) operations performed for the named insured by independent contractors or (b) liability assumed by the insured under a contract or agreement. An industrial truck is any specially constructed truck or tractor unit, usually a low four-wheel gas or electric truck, designed for use principally on the insured's premises.
3. When used as a premium basis, the word "remuneration" shall not include any remuneration of the driver of any equipment described above.

LIBERTY MUTUAL INSURANCE COMPANY

Premium $

Effective Date
Expiration Date
Audit Basis
For attachment
to Policy No. LP1-621-004152-065

Issued to

Frank L. Farwell
PRESIDENT

Bruce E. Boorman
SECRETARY

Countersigned by C W Spencer Jr
AUTHORIZED REPRESENTATIVE

347L
Form G729a
LP LS LT
(4-1-60)

Issued

Sales Office and No.

End. Serial No. 2

AMENDMENT OF CANCELATION CONDITION
(Michigan)

It is agreed that the first paragraph of the Cancelation Condition is amended to read as follows:

This policy may be canceled by the named insured by mailing to the company written notice stating when thereafter the cancelation shall be effective. This policy may be canceled by the company by mailing to the named insured at his address last known to the company or its authorized agent written notice stating when not less than ten days thereafter such cancelation shall be effective. The effective date of cancelation stated in the notice shall become the end of the policy period. Delivery of such written notice either by the named insured or by the company shall be equivalent to mailing.

LIBERTY MUTUAL INSURANCE COMPANY

Frank L. Farwell
PRESIDENT

George A. Potter
SECRETARY

Countersigned by _____
AUTHORIZED REPRESENTATIVE

Effective Date
Expiration Date
Audit Basis
For attachment
to Policy No. LP1-621-004152-065

Issued to

2117 Issued Sales Office and No. End. Serial No. 3

AMENDMENT OF INSURING AGREEMENT I

to place Bodily Injury Liability and Property Damage Liability on an "occurrence basis."

It is agreed that such insurance as is afforded by the policy for Bodily Injury Liability and for Property Damage Liability applies subject to the following provisions:

1. In Insuring Agreement I, the words "caused by accident" are deleted.

2. The word "occurrence" is substitued for "accident" wherever else it appears, except in the "Defense, Settlement, Supplementary Payments" insuring agreement and "Assistance and Cooperation" condition.

3. "Occurrence" means either an accident or a continuous or repeated exposure to conditions which result during the policy period in injury to persons or real or tangible property which is accidentally caused. All damages arising out of such exposure to substantially the same general conditions shall be considered as arising out of one occurrence.

4. Under the Bodily Injury Liability Coverage, injury intentionally inflicted shall be deemed an accident unless committed by or at the direction of the insured. The Property Damage Liability Coverage does not apply to injury or destruction caused intentionally by or at the direction of the insured or of any employee or agent of the insured.

This endorsement applies only in the State of Louisiana.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Brua E. Boorman Secretary Frank L. Farwell President

Countersigned by _____ Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Brua E. Boorman Secretary Frank L. Farwell President

Countersigned by _____ Authorized Representative

Effective Date Expiration Date

Audit Basis

Premium $ Included in Composite Rate

For attachment to Policy or Bond No. LP1-621-004152-065

Issued to

Endorsement Serial No. 4

(257LM)

Work Units 1— Issued Sales Office & No.

WATERCRAFT

It is agreed that such insurance as is afforded by the policy for Personal Injury Liability and for Property Damage Liability applies with respect to the ownership, maintenance, operation, use, loading or unloading, of any watercraft, except that the insurance does not apply:

(a) while any watercraft is used to carry passengers for a consideration or is rented to others.

It is further agreed that such insurance as is afforded by this endorsement shall be excess insurance over any other valid and collectible insurance.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by C W Greenleaf, Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____, Authorized Representative

Effective Date — Expiration Date

Audit Basis

Premium $

For attachment to Policy or Bond No LP1-621-004152-065

Issued to

Endorsement Serial No. 5

Issued — Sales Office & No.

Deductible Insurance Endorsement - Products Liability
(Coverage B)

It is agreed that such insurance as is afforded under Coverage B of the policy for the Products Hazard applies subject to the following provisions:

1. $5,000 shall be deducted from the total amount of all sums which the insured shall become legally obligated to pay for damages on account of injury to or destruction of property, including the loss of use thereof, in any one accident, and the company shall be liable only for the difference between such deductible amount and the applicable limit of the company's liability as stated in the policy.

2. The terms of the policy, including those with respect to notice of accident and the company's right to investigate, negotiate and settle any claim or suit, apply irrespective of the application of the deductible amount.

3. The company may pay any part or all of the deductible amount to effect settlement of any claim or suit, and upon notification of the action taken, the named insured shall promptly reimburse the company for such part of the deductible amount as has been paid by the company.

4. This endorsement does not apply to liability assumed under any contract or agreement other than a warranty of goods or products.

5. This endorsement does not apply with respect to the following U.S. Plywood Divisions:

   Weldwood Structures Division
   Protection Products Division
   Lewers and Cooke Division, except with respect to products manufactured by U.S. Plywood Corporation

6. The above deductible amount is the total amount to be deducted because of all damages arising out of any one accident regardless of the number of subsidiaries of the named insured against whom claim or suit may be brought, whether insured under this policy or under any other policy issued by the company.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Brua E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Brua E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
Authorized Representative

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LP1-621-004152-065
Issued to

Endorsement Serial No. 6

PRODUCTS LIABILITY ENDORSEMENT - VENDORS

It is agreed that such insurance as is afforded by the policy also applies, subject to the following provisions, with respect to the possession, comsumption, handling, or use of, or the existence of any condition in any merchandise or product manufactured, sold, handled or distributed by the named insured:

1. The insurance applies to any person or organization with respect to the distribution or sale in the course of business of any merchandise or product manufactured, sold, handled or distributed by the named insured provided that the named insured, after an accident has taken place, which results or appears likely to result in a claim against the aforenamed person or organization, specifically requests the company to extend coverage to such person or organization as an additional insured.

2. The insurance does not apply:

   (a) to the negligence of any person or organization other than the named insured,

   (b) to any express warranty unauthorized, other than a purchaser of such merchandise or products from the named insured, from whom any products ingredient, part or container entering into. accompanying or containing any product of the named insured has been acquired.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____
Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____
Authorized Representative

Effective Date — Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LP1-621-004152-065
Issued to

Endorsement Serial No. 7

Work Units 1— Issued Sales Office & No.

Deletion of Care, Custody and Control Provisions

With respect to Leased or Rented Property

It is agreed that such insurance as is afforded by the policy under Insuring Agreement I - Coverage B - shall also apply with respect to injury to or destruction of property used by, rented to, leased by or occupied by the insured including the loss of use thereof, subject to the following provisions:

1. Exclusion (h) of the policy does not apply with respect to the insurance afforded by this endorsement.

2. The insurance afforded by the endorsement does not apply insofar as such injury or destruction is due to normal wear and tear or normal depreciation or, except with respect to non-owned Timber Lands in or through which the named insured is conducting logging operations, is caused by the manufacturing or processing of such property.

3. $250. shall be deducted from the total amount of all sums which the insured shall become legally obligated to pay for damages on account of each accident and the company shall be liable only for the difference between such deductible amount and the applicable limit of the company's liability as stated in this endorsement.

4. The terms of the policy including those with respect to notice of accident and the company's right to investigate, negotiate and settle any claim or suit apply irrespective of the application of such deductible amount.

5. The company may pay any part or all of the deductible amount to effect the settlement of any claim or suit, and upon notification of the action taken the named insured shall promptly reimburse the company for such part of the deductible amount as has been paid by the company.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Bowman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Bowman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

Effective Date Expiration Date

Audit Basis

Premium $

For attachment to Policy or Bond No. LM1-621-004152-065

Issued to

Endorsement Serial No. 8

Work Units I — Issued Sales Office & No.

Nurses Malpractice Coverage Endorsement

It is agreed that such insurance as is afforded by the policy under Insuring Agreement I Coverage A also applies to any registered nurse employed by the named insured, as an insured, with respect to liability imposed by law on such nurse for damages arising out of the malpractice including error, mistake and omission of such nurse in the rendering of professional nursing services in the course of her employment with the named insured.

The insurance does not apply to injury or death appearing from evidence to have arisen out of the performance of a criminal act or to have been caused by a person while under the influence of intoxicants or narcotics.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

Effective Date — Expiration Date

Audit Basis

Premium $ Included in Composite Rate

For attachment to Policy or Bond No. LPI-621-001152-065

Issued to

Endorsement Serial No. 9

Work Units 1— Issued Sales Office & No.

INTERPRETIVE ENDORSEMENT

It is agreed that the words "all sums" in Coverage B - Property Damage Liability of Insuring Agreement I shall be interpreted to include fire fighting expenses incurred by other than the insured for which the insured shall become legally obligated to pay as damages because of injury to or destruction of property.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

x☐ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____
Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____
Authorized Representative

Effective Date — Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. TB1-621-004152-065
Issued to

Endorsement Serial No. 10

Work Units 1— Issued Sales Office & No.

Additional Interests - Employees

It is agreed that with respect to such insurance as is afforded by the policy for Personal Injury Liability and for Property Damage Liability the unqualified word "insured" also includes any employee of the named insured while acting within the scope of his duties as such, provided that the named insured after an occurrence has taken place, which results or appears likely to result in a claim against an employee, specifically requests the company to extend coverage to such employee as an additional insured.

The insurance afforded to any such employee does not apply:

(1) to personal injury to or sickness, disease or death of another employee of the named insured arising out of in the course of his employment by such named insured;

(2) to injury to or destruction of property owned, occupied or used by, rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by (a) another employee of the named insured or (b) the named insured.

It is further agreed that with respect to supervisory employees at the level of manager or above Exclusion (1) of this endorsement and Exclusion (c) (2) of the policy do not apply to the insurance afforded by this endorsement.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

Effective Date Expiration Date

Audit Basis

Premium $

For attachment to Policy or Bond No. LP1-621-004152-065

Issued to

Endorsement Serial No. 11

Work Units | — Issued Sales Office & No.

JA 561

ADDITIONAL INSURED ENDORSEMENT

It is agreed that such insurance as is afforded by the policy also applies to each interest hereinafter named, as an insured, but only with respect to acts or omissions of the named insured, his employees or agents; but the inclusion of more than one insured shall not operate to increase the limits of the company's liability.

ADDITIONAL INTERESTS	LOCATION APPLICABLE TO DESIGNATED ADDITIONAL INTERESTS
State of Oregon State Highway Commission and Members thereof, its offivers, agents and employees	Oregon State Highway #38
Stebco Incorporated	States of Oregon and Washington described in timber deed & warranty deeds covering agreement with United States Plywood Corporation
Pacific Gas & Electric Co. 1625 Clay St. Oakland California (With respect to job performed by Weldwood Structures Division)	Hiller Highlands, Calif.
State of California, Dept. of Parks & Recreation, Divisions of Beaches & Parks & the Officers Agents & Employees thereof. (With respect to the right of way agreement between the United States Plywood Corporation & the State of California)	Humbolt Redwoods, State Park, California

LIBERTY MUTUAL INSURANCE COMPANY

Frank L. Faison II
PRESIDENT

George A. Potter
SECRETARY

Effective Date
Expiration Date
Audit Basis
For attachment
to Policy No. LP1-621-004152-065

Issued to

Countersigned by _____
AUTHORIZED REPRESENTATIVE

183L
LP LU LT Issued Sales Office and No. End. Serial No. 12

Amendatory Endorsement

It is agreed that such insurance as is afforded by the policy also applies to injury or destruction including loss of use in direct consequences of any error, omission or defect in architectural designs, plans or specifications prepared, acquired or used by the insured with respect to Lewers & Cooke Merchandise Corporation, Division of United States Plywood, Corporation & Lewers & Cooke Development, Corporation, Division of United States Plywood Corporation, Setter Division, Weldwood Structures Division and the UNIPAC operations of the named insured.

It is further agreed such injury or destruction including loss of use shall not be subject to the provisions of endorsement titled:

Deductible Insurance Endorsement
Products Liability (Coverage B)

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPAN

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
Authorized Representative

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. IP1-621-004152-065
Issued to

Endorsement Serial No. 13

Work Units 1 — Issued Sales Office & No.

AMENDATORY ENDORSEMENT

It is agreed that such insurance as is afforded by the policy does not apply with respect to any loss for which insurance is afforded under any other policy issued to the named insured by the company.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

C W Spearhot, Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

Effective Date Expiration Date

Audit Basis

Premium $

For attachment to Policy or Bond No. TB1-621-004152-065

Issued to

Endorsement Serial No. 14

Work Units 1 — Issued Sales Office & No.

COMPOSITE RATING PLAN ENDORSEMENT

It is agreed that Condition 1, Premium, of the policy is amended to include the following premium basis definition:

"Total Payroll" means all payments by the named insured in cash or substitute therefor during the policy period to all executive officers and other employees of the named insured, subject:

(a) to any overtime earnings or limitation of remuneration rule applicable in accordance with the Workmen's Compensation manuals in use of the company

(b) with respect to each executive officer, to the maximum and minimum amounts applicable in accordance with such manuals.

LIBERTY MUTUAL INSURANCE COMPANY

Frank L. Farrell
PRESIDENT

Effective Date
Expiration Date
Audit Basis
For attachment
to Policy No. LF1-621-004152-065

Bruce E. Bowman
SECRETARY

Issued to

Countersigned by .....
AUTHORIZED REPRESENTATIVE

110L
LP LS LT LU

Issued

Sales Office and No.

End. Serial No. 15

RESIDENT AGENT COUNTERSIGNATURE ENDORSEMENT

In order to comply with the Resident Agents Laws of the State of Louisiana, the countersignature hereto is to be considered the valid countersignature to the undermentioned Policy, insofar as concerns that portion of the Risk located in said State.

It is further understood and agreed that the following form or forms of Endorsements attached to and made a part of this Policy shall apply to that portion of the Risk located in the State of Louisiana:

		No.
Nuclear Energy Liability Exclusion End.	2234	
Amendatory End.	102	1
Amendment of Insuring Agreement I	257LM	4
Watercraft End.	102	5
Deductible Insurance End.	102	6
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Retrospective Rating End.	2212	29
Deletion of Care, Custody and Control Provisions (Automobiles Rented on Short Term Basis)	102	17
Deletion of Care, Custody and Control Provisions ("Piggy Back" Trailers)	102	18
Amendment of Assault and Battery Condition of the Policy and Additional Insureds - Employees	102	19
Amendatory End.	102	22
Employees Benefits Liability Ins. End.	102	24
Notary Public Liability End.	102	28

LIBERTY MUTUAL INSURANCE COMPANY

Frank L. Farwell
PRESIDENT

Effective Date
Expiration Date
Audit Basis

For attachment to Policy No. LP1-621-004152-065

Issued to

Bruce E. Boorman
SECRETARY

Countersigned by C W Spracht Jr.
AUTHORIZED REPRESENTATIVE

652
Louisiana

Issued

Sales Office and No.

End. Serial No. 16

Deletion of Care, Custody and Control Provisions

With Respect to Automobiles Rented on a Short Term Basis

It is agreed that such insurance as is afforded by the policy under Insuring Agreement I - Coverage B shall also apply with respect to all sums which the insured shall become legally obligated to pay as damages because of injury to or destruction of automobiles rented by or on behalf of the named insured, subject to the following additional provisions:

1. Exclusions (c) and (h) of the policy do not apply with respect to the insurance afforded by this endorsement.

2. The insurance afforded by this endorsement does not apply to damage due to wear and tear, freezing, mechanical or electrical breakdown or failure.

3. The deductibles shown below shall be deducted from the total amount of all sums which the insured shall become legally obligated to pay for damages on account of each accident and the company shall be liable only for the difference between such deductible amount and the applicable limit of the company's liability as stated in this endorsemer

4. The terms of the policy including those with respect to notice of accident and the company's right to investigate, negotiate and settle any claim or suit, apply irrespective of the application of such deductible amount

5. The company may pay any part or all of the deductible amount to effect the settlement of any claim or suit, and upon notification of the action taken the named insured shall promptly reimburse the company for such part of the deductible amount as has been paid by the company.

Private Passenger Cars and Pick-up Trucks - $50. Ded.
Per Tractor, Per semi-Trailer, per Trailer- $100. Ded.
All other vehicles excluding logging equipment $250. Ded.

The provisions of this endorsement do not apply to automobiles leased by the insured for a period of thirty days or more.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Brua E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Brua E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

Effective Date — Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LFI-621-004152-065
Issued to

Endorsement Serial No. 17

Work Units 1 — Issued — Sales Office & No.

Deletion of Care, Custody and Control Provisions

With Respect to "Piggy Back" Trailers

It is agreed that such insurance as is afforded by the policy under Insuring Agreement I - Coverage B shall also apply with respect to all sums which the insured shall become legally obligated to pay as damages because of injury to or destruction of so called "Piggy Back" trailers or semi-trailers for use on railroad cars for which the named insured has assumed liability for loss or damage while in the possession of the named insured or in the possession of an agent of the named insured.

Exclusions (c) and (h) of the policy do not apply with respect to the insurance afforded by this endorsement.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

Effective Date Expiration Date

Audit Basis

Premium $

For attachment to Policy or Bond No. LPl-621-004152-065

Issued to

Endorsement Serial No. 18

Work Units 1 — Issued Sales Office & No.

Amendment of Assault and Battery Condition of the Policy

and Additional Insureds - Employees Endorsement

It is agreed that assault and battery committed for the purpose of protecting the property of the named insured shall be deemed an accident whether or not committed by or at the direction of the insured, and Condition 3 (d) of the policy and clause (1) of Endorsement titled:

Additional Interest - Employees

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPAN

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LF1-621-004152-065
Issued to

Endorsement Serial No. 19

Work Units 1 — Issued Sales Office & No.

Additional Insured Endorsement

It is agreed that such insurance as is afforded by the policy also applies to Alma R. Andrews hereinafter as an insured, but only with respect to the operations, maintenance and use and operations incidental thereto of (1) McCloud Hotel (2) Shasta View Rooming House (3) Park Hotel.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Brua E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____
Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Brua E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____
Authorized Representative

Effective Date — Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LP1-621-004152-065
Issued to

Endorsement Serial No. 20

Work Units 1 — Issued — Sales Office & No.

Exclusion Endorsement

It is agreed that such insurance as is afforded by the policy does not apply to:

McCloud River Railroad Company and/or
McCloud River Trucking Company

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LF1-621-004152-065
Issued to

Endorsement Serial No. 21

Work Units 1 — Issued Sales Office & No.

Amendatory Endorsement

It is agreed that such insurance as is afforded by the policy is extended to cov · any claims made by a wife for a loss of consortium of her husband, or made by a husband for loss of consortium of his wife when such husband or wife was employed by the Insured, injured during the course of his or her employment.

It is herein agreed that any condition or exclusion of the policy in conflict with the provisions of this endorsement shall be not applicable to the coverage provided hereunder.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____
Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____
Authorized Representative

Effective Date — Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. P1-621-004152-065
Issued to

Endorsement Serial No. 22

Work Units 1 — Issued — Sales Office & No.

EXCESS INSURANCE ENDORSEMENT

It is agreed that such insurance as is afforded to any insured on this policy shall apply as excess insurance over the insurance afforded to such insured under a policy issued by United States Fidelity & Guaranty Company and The Fidelity & Casualty Company as joint venturers by The Fair Corporation.

Condition 12 of the policy is amended accordingly.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by C W Speacht, Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____, Authorized Representative

Effective Date Expiration Date

Audit Basis

Premium $

For attachment to Policy or Bond No. IP1-621-004152-065

Issued to

Endorsement Serial No. 23

Work Units 1 — Issued Sales Office & No.

EMPLOYEE BENEFITS LIABILITY INSURANCE ENDORSEMENT

The company agrees with the named insured, in consideration of the payment of the premium and in reliance upon the statements in the declarations and in the schedule below and subject to the limits of liability, exclusions, conditions and other terms of this endorsement:

INSURING AGREEMENTS

I. Coverage W - Employee Benefits Liability To pay on behalf of the insured all sums which the insured, by reason of the liability imposed on him by any improper advice, error or omission in the administration by persons authorized to pay as damages on account of injury to the rights or interests of employees or their beneficiaries in such programs.

II. Defense, Settlement, Supplementary Payments The provisions of Insuring Agreement II of the policy are applicable to the insurance afforded under this agreement.

III. Defintion of Insured The provisions of Insuring Agreement III of the policy are applicable to the insurance afforded under this endorsement. The unqualified word "insured" also includes any employee of the named insured who is authorized to act in the administration of the named insured's Employee Benefits Programs.

IV. Endorsement Period This endorsement applies only to claims first made against the insured after the effective date hereof and during the policy period.

If during the endorsement period the insured shall become aware of any occurrence which may subsequently give rise to a claim covered by this insurance, the insured shall give notice thereof in writing to the company as soos as practicable and any claim which may subsequently arise out of such occurrence be deemed to have been first made during the effective period of the endorsement in which such notice of occurrence is given.

V. Definitions When used in reference to this insurance:

"Employee Benefits Programs" means those group life insurance, group accident or health insurance, pension plans, employee stock subscription plans, workmen's compensation, unemployment insurance, social security, disability benefits or similar plans described in the attached schedule of Employee Benefits Programs. Should the insured, during the endorsement period, institute additional similar programs, such programs are included within the meaning of the term "Employee Benefits Programs" provided the company is notified of such additional program or programs within a period of thirty days after the effective date thereof.

"Administration" means, with respect to Employee Benefits Programs, the determination of the eligibility of employees to participate in such programs, the enrollment of employees therein, the handling and keeping of records pertaining thereto, the interpreting of the provisions thereof and the giving of advice or counsel to employees or their beneficiaries with respect to their rights or interests therein.

EXCLUSIONS

This endorsement does not apply:

(a) to any claim based upon an allegedly unfairly discriminatory, dishonest, fraudulent, or malicious act;

(b) to any claim with respect to which insurance is afforded in whole or in part under any other coverage afforded by the policy or any endorsement thereto;

(c) to any claim based upon the failure of any insurer to perform any contract in relation to the Employee Benefits Programs;

(d) to any claim based upon the failure of stock to produce the financial gain represented.

CONDITIONS

1. Policy Conditions All of the Conditions of the policy applicable to the bodily injury liability or property damage liability coverages thereof shall apply to the insurance under this endorsement except those respecting "Premium", "Definitions", and "Limits of Liability".

2. Limit of Liability The limit of liability stated in the schedule is the limit of the company's liability for all damages arising out of all claims made during the endorsement period, regardless of the number of persons insured hereunder or the number of occurrences to which this endorsement applies.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Edna E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Edna E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No.
Issued to

Attach to No. 24

Work Units 1 — Issued Sales Office & No.

It is agreed that such insurance as is afforded by this endorsement applies subject to the following provisions:

(a) The insurance applies only to damages in excess of:

$250,000 per occurrence
$750,000 aggregate
arising out of injury to or destruction of property in any one occurrence

SCHEDULE

(a) List of Employee Benefits Programs

All Employee Benefits Programs

(b) Limit of Liability $100,000 Aggregate

Flat Charge $15.00

The provisions of Retrospective Rating Plan D - Set forth under Endorsement titled:

Retrospective Premium Endorsement - Plan D
3 Year Plan - Shor Form

Do not apply to this endorsement

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by C W Spracht Jr
Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary Frank L. Farwell, President

Countersigned by _____
Authorized Representative

Effective Date Expiration Date
Audit Basis
Premium $ Included on Declaration
For attachment to Policy or Bond No. TP1-621-004152-065
Issued to

Endorsement Serial No. 24

Work Units 1 – Issued Sales Office & No.

Logger's Property Damage

(Named Insured Endorsement)

1. It is agreed that such insurance as is provided by the policy for Coverage B Property Damage - shall also apply to all logging contractors and sub-contractors, Road Building and Maintenance Contractors and Salvage Timber Contractors while engaged in operations for United States Plywood Corporation; in respect of operations emanating from Michigan and Virginia locations of United States Plywood Corporation.

The insured applies to injury to or destruction of property of others, including the loss of use thereof, arising out of an occurrence directly connected with the logging operations of the insured or other operations of the insured incidental to such logging operations including but not limited to:

1. Damage to or destruction of trucks, trailers or railroad cars, the property of others while being loaded or unloaded.

2. Damage to or destruction of timber lands and/or standing timber and/or felled and/or bucked timber, the property of others.

(a) It is agreed that for the purpose of this insurance, the term "logging" is a general term which includes logging, rail-road, trucking, maintenance of camp sites and all other operations incidental to logging operations including ownership and management of timber lands or other properties, operated, managed or maintained by, for or on behalf of the insured.

(b) It is further agreed that if, in addition to being held liable for a claim as described in Paragraph 1 hereof, the insured shall be also held liable, as a result of the same occurrence, for fire fighting expenses incurred by the same person, persons or entity, the amount of the insured's liability for such fire fighting expenses shall be included in ascertaining the ultimate not loss of the insured.

2. DEFINITION OF PROPERTY
The term "injury to or destruction of property" shall mean physical injury or destruction of corporeal property.

3. DEDUCTIBLES:
(a) A deductible of $10,000. as respect any claim or series of claims arising out of any one occurrence by reason of the OWNERSHIP, MAINTENANCE, OR USE OF ANY AUTOMOBILE.

(b) A deductible of $250. as respect any claim or series of claims arising out of one occurrence, OTHER THAN THE OWNERSHIP, MAINTENANCE, OR USE OF ANY AUTOMOBILE AS DESCRIBED ABOVE, it being understood, however, as respects both this sub-section (a) above, that regardless of the number of claims arising out of any one occurrence, only one deductibel shall be applied to each such one occurrence.

Att. to End. #25.

(c) For the purposes of this endorsement exclusion C of the policy does not apply.

(d) The terms of the policy including those with respect to notice of accident and the company's right to investigate, negotiate and settle any claim or suit apply irrespective of the application of the company's liability as stated in this endorsement.

(e) The company may pay any part of the deductibel amount to effect the settlement of any claim or suit and upon notification of the action taken the named insured shall promptly reimburse the company for such part of the deductible amount as has been paid by the company.

EXCLUSIONS:
The provisions of this endorsement do not apply:
(a) To Fire fighting expenses except as provided for in Paragraph 1 (b) above; nor
(b) To damage to or destruction of property leased or rented by or in the care, custody or control of the insured provided, however, that for the purpose of this insurance
(1) trucks, trailers or railroad cars, the property of others, while being loaded or unloaded, or
(2) timber lands and/or standing timber and/or felled and/or bucked timber, the property of others shall not be considered to be within the care, custody or control of the insured.

(c) To damage to or destruction of property of others in the possession of the insured for sale, storage, processing, safekeeping or repaid; nor
(d) To damage to or destruction of property of others while being carried in or upon any vehicle in charge of the insured; nor
(e) To damage to a particular part of any property upon or with which operations are being performed by or on behalf of the Assured at the time of the injury to or destruction thereof, if restoration, repair or replacement thereof or there to is made necessary by faulty, improper or defective work thereon by or on behalf of the Assured.

5. PREMIUM COMPUTATION:

Rate per $100 contract cost:	Subject to Retrospective	Discounted Excess to 100/200
Salvage	$.64	$.054
Others	.24	.024

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by C W Spencer, Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman, Secretary — Frank L. Farwell, President

Countersigned by _____ Authorized Representative

Effective Date — Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. TR1-621-004152-065
Issued to

Endorsement Serial No. 25

(2 of 2)

Issued — Sales Office & No.

AMENDATORY ENDORSEMENT

It is agreed that such insurance as is afforded by the policy also applies to liability imposed upon the insured by law as a hotel or innkeeper, for damages because of loss of or damage to property belonging to a guest at the premises designated below while such property is within the said premises or in the possession of the insured.

Designated Premises:

(1) Mc Cloud Hotel, Mc Cloud, Calif.

(2) Shasta View Rooming House, Mc Cloud, Calif.

(3) Park Rooming House, Mc Cloud, Calif.

Limits of Liability

$1,000 each guest
$5,000 aggregate

This insurance does not apply to:

(a) Any loss or damage unless the amount thereof exceeds $25., and then only to such exess.

(b) Liability assumed by the insured under any contract or agreement, other than a written agreement by the insured with a guest before the occurrence of loss or damage which increases the limit of the insured's statutory liability to an amount not in excess of the limit of liability stated in this endorsement;

(c) Any loss or damage with respect to which the insured has released any other person or organization from his or its legal liability;

(d) Any loss or damage caused by the spilling, upsetting or leaking of any food or liquid;

(e) A vehicle or its equipment, accessories or appurtenances, nor to any property contained therein;

(f) Property in the custody of the insured for laundering or cleaning purposes;

(g) Articles carried or held by a guest as samples or for sales or for delivery after sales.

Part 3 of exclusion H of the policy is amended accordingly

Flat Charge $100.00

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Secretary Bruce E. Boorman President Frank L. Farwell

Countersigned by C W Speacht 2nd
Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Secretary Bruce E. Boorman President Frank L. Farwell

Countersigned by _____
Authorized Representative

Effective Date Expiration Date
Audit Basis
Premium $ Included on declaration
For attachment to Policy or Bond No. LP1-621-004152-C6
Issued to

Endorsement Serial No. 26

Work Units 1 — Issued Sales Office & No.

Deletion of Care, Custody, and Control Provisions with Respect to Specified "Chassis and Containers"

It is agreed that such insurance as is afforded under Insuring Agreement I-Coverage B shall also apply with respect to injury to or destruction of:

Chassis and Containers as set forth in Rule 17 of Matson Navigation Company's Container Freight Tariff No. 14 which is the subject of contract between the named insured and Matson Navigation Company.

1. Exclusion (c) and (h) of the policy do not apply with respect to the insurance afforded by this endorsement.

2. The insurance afforded by the endorsement does not apply insofar as such injury or destruction is due to wear and tear, freezing mechanical or electrical breakdown or failure.

3. $100 shall be deducted from the total amount of all sums which the insured shall become legally obligated to pay for damages on account of each accident and the company shall be liable only for the difference between such deductible amount and the applicable limit of the company's liability as stated in this endorsement.

4. The terms of the policy including those with respect to notice of accident and the company's right to investigate, negotiate and settle any claim or suit apply irrespective of the application of such deductible amount.

5. The company may pay any part or all of the deductible amount to effect the settlement of any claim or suit, and upon notification of the action taken the named insured shall promptly reimburse the company for such part of the deductible amount as has been paid by the company.

6. Limit of Liability $[illegible],000.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☒ LIBERTY MUTUAL INSURANCE COMPANY

Brua E. Boorman Secretary Frank L. Farwell President

Countersigned by C W Speacht 2
AUTHORIZED REPRESENTATIVE

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Brua E. Boorman Secretary Frank L. Farwell President

Countersigned by _____
AUTHORIZED REPRESENTATIVE

Effective Date Expiration Date
Audit Basis
Premium $
For attachment to Policy or Bond No. LF1-621-004152-065
Issued to

Endorsement Serial No. 27

Issued Sales Office & No.

NOTARY PUBLIC LIABILITY ENDORSEMENT

It is agreed that such insurance as is afforded by the policy shall also apply to any Notary Public while acting in his professional capacity, for the liability imposed upon him by law for damages arising out of the performance of services as a Notary Public for United States Plywood Corporation and caused by any negligent act, error or omission.

The insurance does not apply to any dishonest, or fraudulent act, error or omission of the Notary Public.

This endorsement is executed by the company below designated by an entry in the box opposite its name.

☐ LIBERTY MUTUAL INSURANCE COMPANY

Bruce E. Boorman Secretary Frank L. Farwell President

Countersigned by _____ Authorized Representative

☐ LIBERTY MUTUAL FIRE INSURANCE COMPANY

Bruce E. Boorman Secretary Frank L. Farwell President

Countersigned by _____ Authorized Representative

Effective Date Expiration Date

Audit Basis

Premium $

For attachment to Policy or Bond No. TPL-621-004152-065

Issued to

Endorsement Serial No. 28

RETROSPECTIVE PREMIUM ENDORSEMENT — PLAN (D)

Short Form

(2nd Year)
3 Year Plan

It is agreed that the premium for the policy shall be computed in accordance with the provisions of Retrospective Premium Endorsement — Plan D forming a part of policy WC1-621-004152-054

LIBERTY MUTUAL INSURANCE COMPANY

Frank L. Farwell
PRESIDENT

George A. Potter
SECRETARY

C W Spearhot Jr
Countersigned by .....
AUTHORIZED REPRESENTATIVE

Effective Date
Expiration Date
Audit Basis
For attachment
to Policy No. LP1-621-004152-065

Issued to

2212
(12-1-50)

Issued

Sales Office and No.

End. Serial No. 29

Excerpts from the Brief of Defendant Continental Casualty Company on the Issue of Liability

(Pages JA584 to JA589)

The Facts

During the years 1969 and 1970, Champion, among its other business activities, was a distributor of products manufactured by Continental Vinyl Products Corporation ("Continental Vinyl"). Continental Vinyl, which was located in California and was no part of Champion's corporate structure, manufactured vinyl laminated plywood panels which consisted of a film of vinyl, simulating the grain and color of expensive panelling, bonded to a sheet of plywood. These panels came in a variety of sizes and thicknesses and in a variety of styles known by names such as Del Mar Walnut, Avalon Walnut, Mission Pecan, and Dark Pecan.

Champion over a period of many months sold varying amounts of the vinyl laminated panels to a considerable number of manufacturers of houseboats, house trailers, motor homes and campers located in various parts of the United States who used the panels in the construction of the interiors of such vehicles. Many of the panels, after being installed in the interiors of vehicles which allegedly were manufactured during 1969 and 1970, proved to be defective and delaminated, the vinyl film peeling away from its plywood base. A large number of claims were asserted against Champion by the manufacturers and by purchasers of the vehicles for the cost of repair or replacement of the panels or for the diminution in the value of the vehicles caused by the delaminations. In no single

instance did the damage to any single vehicle amount to as much as $5,000.

It is alleged that damage resulted to over 1400 vehicles which were manufactured by at least 26 different firms over a period of many months in 1969 and 1970. Thus, for example, 274 damaged trailers and campers which were manufactured by Cobra Industries Incorporated of Elkhart, Indiana were produced periodically from April 9, 1969, through November 19, 1969. (See transcript of deposition upon written questions of Bob J. Higgins.) And 260 damaged houseboat manufactured by Nauta-Line, Inc. of Hendersonville, Tennessee were produced periodically from April 3, 1969, through June 26, 1970. (See schedule of Nauta-Line production dates provided by plaintiff.)

The panels typically were sold by Champion to the manufacturers in relatively small lots as they were required from time to time by the manufacturers' production schedules and either were shipped from stocks maintained at Champion's various branches throughout the country or were shipped directly from Continental Vinyl upon directions from Champion. Thus, for example, the President of Cobra Industries, Incorporated testified that the panels utilized by his Company were obtained in approximately 105 purchases received from time to time during the period January 27, 1969, through August 26, 1969, with an isolated shipment received in March, 1970. (See transcript of deposition upon written questions

of Bob J. Higgins.) And the Vice President of Nauta-Line, Inc. testified that the panels utilized by his company were obtained pursuant to 52 separate purchase orders. (See transcript of deposition upon written questions of William B. Caldwell.)

Champion asserts that it has paid approximately $1.4 million in settlement of the claims made by the manufacturers and purchasers of the damaged vehicles. This figure includes both amounts paid to the claimants and expenses incurred in the adjustment of the claims. As above stated, in no instance did the amount paid with respect to damage to any one vehicle amount to as much as $5,000.



(b) Regarding the Law

Continental admits that:

(1) Continental's Umbrella Excess policy remained in full force and effect from November 30, 1967 to November 30, 1970, the period during which Champion alleges its liabilities resulting from the delaminations arose (Champion admits that Liberty Mutual's policies were also in full force and effect during this period);

(2) The diminution in value of the vehicles caused by the delaminations of the panels constituted property damage within the "products hazard" as those terms are defined in the Liberty Mutual policy and in the Umbrella Excess policy; and

(3) The liability of Champion for such property damage is a type of liability covered by the Liberty Mutual

policy and the Umbrella Excess policy under the "products hazard", subject only to the application of the limits of liability of the policies and the provisions of the policies with respect to other insurance.

In outline, Continental's position is as follows:

(1) The damage to each vehicle caused by delaminations of the panels was a separate "occurrence";

(2) Since it is conceded that the damage to any one vehicle did not amount to as much as the $5,000 deductible per occurrence, Liberty Mutual's limits of liability not only have not been exhausted but scarcely, if at all, have been invaded, and

(3) Therefore, Champion is not entitled to any recovery under Continental's Umbrella Excess policy.

* * *

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KRONISH, LIEB, SHAINSWIT, WEINER & HELLMAN

ATTYS. FOR Everett - Appellee

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